OCT 4 1928

Sales Management

TWENTY CENTS

ED ns, his ern 10 les ob-

X. er, one ing of but ign buour ey.

GE

58 55

53

SEPTEMBER 29, 1928





THE Oregonian has far more than dominant circulation. For the MERCHANTS' SURVEY (recently completed) shows that Portland people decidedly prefer The Oregonian to all other newspapers in all main news features.

With dominant circulation plus outstanding reader preference The Oregonian offers by far the most EFFECTIVE CIRCULATION in Portland and the Oregon Market.

The Oregonian

PORTLAND, OREGON

Circulation: over 106,000 daily; over 160,000 Sunday

Nationally Represented by VERREE & CONKLIN, INC.

NEW YORK
285 Nadison Avenue

CHICAGO
333 N. Michigan Avenue

DETROIT 321 Lafayette Boulevard SAN FRANCISCO
Monadnock Building

THE PREFERRED NEWSPAPER OF THE PACIFIC NORTHWEST

- LITTLE DRAMAS IN THE LIFE OF A GREAT NEWSPAPER SYSTEM



A noisy street car disturbed his sleep so he telephoned "Mr. Fixit"

A crosstown car line, in an Ohio city, ran one rickety old car with a flat wheel which bumped and squealed.

Housewives said it got on their nerves. A minister was so much bothered that he couldn't prepare his sermons. Finally, a man whose nocturnal rest was being disturbed, telephoned to "Mr. Fixit" of the city's SCRIPPS-HOWARD Newspaper, and complained of the noisy nuisance.

"Mr. Fixit" got busy with the officials of the traction company. A new and silent wheel replaced the old one. And so the neighborhood

T

quiet was immediately restored.

"Mr. Fixit," or some one like him, is on the staff of every SCRIPPS-HOWARD Newspaper. His business is to help abate the minor irritations in the city's life. His ear is ever attuned to any citizen's complaint if it concerns some shortcoming in the city's streets or service.

If the branches of an elm extend over the sidewalk and brush pedestrians' faces; if a crack in a pavement imperils safe walking; if a manhole cover seems about to break; if there's any one of a thousand civic annoyances that

Mr. Citizen wishes to remedy, without knowing how to go about it, "Mr. Fixit" is the man to consult. If action is to be had, he will get it.

In most cities, life is so complex that the average person has little idea where to go to get things done. The newspaper that befriends him in the problems that arise daily is, in turn, sure to win and hold his friendship and confidence. His heart-deep confidence, which in the SCRIPPS-HOWARD Newspapers extends to the advertising as well as to the editorial columns!

NEW YORK . Telegram
CLEVELAND . . Press
BALTIMORE . . Post
PITTSBURGH . Press
COVINGTON . Kentucky Post—Kentucky Edition of Cincinnati Post

SCRIPPS-HOWARD
MEMBERS OF THE AUDIT BUREAU OF CIRCULATIONS



AKRON . Times-Press YOUNGSTOWN Telegram KNOXVILLE News-Sentinel
BIRMINGHAM . Post FORT WORTH . Press EL PASO Post
MEMPHIS Press-Scimitar OKLAHOMA CITY News SAN DIEGO . . . Sun
HOUSTON . . Press EVANSVILLE . . . Press TERRE HAUTE . . Post
ALBUQUERQUE . . . New Mexico State Tribune

NEWSPAPERS AND MEMBERS OF THE UNITED PRESS

NATIONAL ADVERTISING DEPARTMENT

Stuart S. Schuyler, DIRECTOR

250 PARK AVENUE, NEW YORK · CHICAGO · SEATTLE · SAN FRANCISCO PORTLAND · DETROIT · LOS ANGELES · ATLANTA

Published every Saturday and copyrighted by Sales Management, Inc., 420 Lexington Ave., New York, N. Y. Subscription price \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office at New York, N. Y. under the Act of March 3, 1879. Volume XV. No. 13

N a farm in Rockbridge County, Virginia, McCormick invented the reaper—the forerunner of a long line of machinery that gave new opportunities to agriculture.

On another farm in Virginia, a man named Ruffin first began experimenting with lime and found its beneficial effect upon the soil.

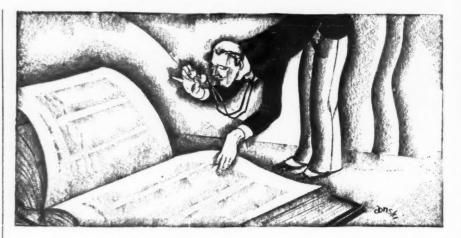
Here some of the all-important developments of agriculture had their beginning. And not the least of these was the beginning of the farm paper idea. Before McCormick perfected his reaper, the Southern Planter was being read by the leading plantation owners in the Old Dominion.

For 89 continuous years it has been the adviser of farmers in Virginia and her neighboring states. Its record on keyed returns grows more impressive with the years. There is no other paper quite like it. THE SOUTHERN PLANTER, Richmond, Va. Established 1840. Riddle & Young Co., Special Representatives, Chicago, New York, Kansas City, Atlanta.

It might be worth money to you to know more about this territory. Write for a copy of "The Southern Planter and Its Territory." Full of eye-opening facts.



Home of the Southern Planter



This Issue at a Glance

Branch Management

A systematic plan for keeping track of branch office procedure, which gives a maximum of control over these divisions in the sales structure, has been developed by the Chamberlin Metal Weatherstrip Company. This plan has the advantage of providing for absolutely uniform service to customers all over the country. Page 697.

Buying Trends

There has been a great deal of discussion, recently, as to the desirability—or the undesirability—of the setting up of a series of standards by the Government to guide individual consumers in the purchase of goods. J. George Frederick gathers the pros and cons of this idea in an article on page 702, and touches upon the question as to whether or not such a policy would affect the values created by national advertising.

Credit

Although interest rates are still exceptionally high, there is unlikely to be any credit stringency in the immediate future, according to the economist of one of New York's leading banks. His analysis of the situation will be found on page 705.

Federal Trade Commission

An explanation of the 225-page questionnaire recently sent out to public utility corporations, which has caused some adverse criticism because of its size, is given on page 706.

Letters

Whatever may be the percentage, in your line of business, of prospects closed on cold canvass, the figure probably seems discouragingly low. Some sales managers have found that if one

or two letters can be made to break the ice with the buyer before the salesman calls, returns can be made more profitable. It is letters of this kind that Lawrence Lockley discusses in the first of three articles. Page 694.

Mergers

When anything happens in the business world as big as the Colgate Palmolive merger, everybody wonders what's behind it. Charles S. Pearce, president of the new Colgate Palmolive Peet Company, tells just those facts in the leading article in this issue. Page 693.

Retail Problems

Four thousand independent retail grocery stores have banded together in a buying group under the direction of the Red & White Corporation of Buffalo, New York. Sales policies this group has developed to meet the competition of chain stores are explained by Lloyd S. Graham. Page 698.

Sales Promotion

The Buckeye Incubator Company found, after an analysis of their sales, that their prospects fell into four definite classifications. In order to get these prospects sorted so that the proper sales promotion could be sent them and the proper angle for sales cultivation discovered, the company sends out a questionnaire which is reproduced and described on page 701.

Trade-Marks

The Cheek Neal Coffee Company has just lost an appeal to the United States Commissioner of Patents to restrain the use of the well-known Maxwell House picture and trade-mark on a line of pickles, jellies and similar food products. The case is discussed on page 732.

1928

the man ofitthat

first

usi-

almders

irce, ilmnose

sue.

gron a of

Bufthis

omned

any les, lefi-

the

ales any re-

01.

has ited

re-[ax-

ilar sed

To Collier's advertisers

An Announcement by The Crowell Publishing Company

Collier's circulation is now more than 1,650,000—a gain of 325,000 during the past year.

The weekly newsstand sales are steadily increasing — now more than 700,000.

All this corroborates our pledge to the public and to advertisers that this company would

- -build a weekly magazine of great editorial appeal
- —avoid spectacular and temporary methods and build for permanence and stability
- —build Collier's on the sound publishing principles that underlie every Crowell publication

Collier's is now entering upon a most brilliant and important editorial program—a definite assurance of continuing progress.

Collier's presents today the greatest per dollar value in the weekly field.



a wealth of information for you about

BUFFALO

News route Book of Buffalo, Kenmore and Lackawanna is to furnish the national advertiser with an accurate list of the Grocers, Meat Markets, Chain Grocers, Confectioners and Druggists in Buffalo and the two adjacent towns which are usually worked in conjunction with the city.

The city is divided into twenty-three numbered sections—twenty-five including Kenmore and Lackawanna—with maps of each section, and listed stores. Directions for working each route accompany each map, as well as a total of the inhabitants, families, stores, and the type of section to be covered.

In dividing the city into sections, The News has taken into consideration such natural bounds as railroad embankments, streams, etc., making the work of the salesman easy. We suggest to salesmanagers the advisability of working each route separately in order to be certain the entire territory is covered.

In the last pages of the book The News has set forth information, both general and specific, regarding the wholesale jobbing houses in Buffalo, the chain organizations and the department stores. Lists of buyers are given for your use.

Absolute accuracy is not claimed for this book by The Buffalo Evening News—absolute accuracy being practically impossible—but the data herein set forth is as accurate as we believe it can be made, and we offer this book to the trade in the confident hope it will prove its value.

Please remember, when working Buffalo and the Buffalo territory, the National Advertising Department of The Buffalo Evening News and all its facilities are always at your service.

INDEX

	rugstore Organizations in Buffalo	
Chain Gr		6
	rocery Organizations in Buffalo	6
Co-Opera	tive Grocery Organizations in Buffalo	6
	ent Stores, Departments and Buyers:	
	Adam & Company	R
Adam	, Meldrum & Anderson Company	K
	's Department Store	
	Barnum & Son Company.	
	Store	
Davis	Brothers	5
E. W.	Edwards & Sons	5
F. Er	ion & Company	5
Flint	& Kent	6
I. Gol	din	6
	& Kelly Company	
	Vm. Hengerer Company	
	eker's Department Store	
Spohr	n Economy Stores's Department Store	4
	in Each Section of Buffalo	
	okers in Buffalo	
Key to R	loutes and Maps	õ
Map of I	Buffalo Showing Location of Sections	5
	turers' Representatives in Buffalo	
	on of Routes in Buffalo	
		Đ
Route	One	
Route Route	OneTwo	
Route Route	One	
Route Route Route Route	One Two. Three Four	
Route Route Route Route Route	One Two Three Four Five Six	1
Route Route Route Route Route	One Two Three Four Five Six	1
Route Route Route Route Route Route Route	One Two Three Four Five Six Seven Eight	1111
Route Route Route Route Route Route Route Route	One Two Three Four Five Six Seven Eight Nine	1
Route	One Two Three Four Five Six Seven Eight Nine	111111111111111111111111111111111111111
Route	One. Two. Three Four Five Six Seven Eight Nine Ten	111111111111111111111111111111111111111
Route	One. Two. Three Four Five Six Seven Eight Nine Ten Eleven Twelve	1177
Route	One. Two. Three Four Five Six Seven Eight Nine Ten Eleven Twelve	111111111111111111111111111111111111111
Route	One. Two. Three. Four Five Six Seven Eight Nine Ten Eleven Twelve	111111111111111111111111111111111111111
Route	One. Two. Three Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Fourteen	111110000000000000000000000000000000000
Route	One. Two. Three Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Fourteen Fifteen Sixteen	111110000000000000000000000000000000000
Route	One. Two. Three. Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Ffurteen Fifteen Sixteen	111111111111111111111111111111111111111
Route	One. Two. Three Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Fourteen Fifteen Sixteen Seventeen Eighteen	11 11 11 10 00 00 00 00 00 00 00 00 00
Route	One. Two. Three Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Ffourteen Fifteen Sixteen Seventeen Eighteen Seventeen Eighteen	111111111111111111111111111111111111111
Route	One. Two. Three. Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Fjiteen Sixteen Seventeen Eighteen Nineteen Tighteen Tren	111111111111111111111111111111111111111
Route	One. Two. Three Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Fourteen Fifteen Sixteen Seventeen Firteen Twelve Thirteen Twelve Thirteen Twelve Twenty-one	11111222222
Route	One. Two. Three Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Fourteen Fifteen Sixteen Seventeen Eighteen Nineteen Twetty Twenty-one Twenty-two	111111111111111111111111111111111111111
Route	One. Two. Three Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Fourteen Fifteen Sixteen Seventeen Eighteen Twenty-twenty-one Twenty-tour	111111111111111111111111111111111111111
Route	One. Two. Three. Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Fourteen Fifteen Sixteen Seventeen Eighteen Twenty-two	111111111111111111111111111111111111111
Route	One. Two. Three Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Fourteen Fifteen Sixteen Seventeen Eighteen Twenty-twenty-one Twenty-tour	111111222222224444444444444444444444444
Route	One. Two. Three. Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Fjiteen Sixteen Seventeen Eighteen Twelve Thirteen Fifteen Sixten Seventeen Eighteen Nineteen Twenty-two	1111122222333344444
Route	One. Two Three Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Fourteen Fourteen Fifteen Sixteen Seventeen Eighteen Nineteen Twenty Twenty-one Twenty-two Twenty-four Twenty-fou	111112222233333333333333333333333333333
Route	One. Two. Three. Four Five Six Seven Eight Nine Ten Eleven Twelve Thirteen Fjiteen Sixteen Seventeen Eighteen Twelve Thirteen Fifteen Sixten Seventeen Eighteen Nineteen Twenty-two	111111111111111111111111111111111111111

KEY TO SYMBOLS IN ROUTE LISTS:

G....Independent Grocers
M....Meat Market

*....Chain Grocers
C....Confectionery

BUFFALO EVENING NEWS

EDWARD H. BUTLER, Editor and Publisher
KELLY-SMITH COMPANY, National Advertising Representatives

GRAYBAR BLDG. NEW YORK CITY WATERMAN BLDG. BOSTON, MASS.

TRIBUNE TOWER CHICAGO, ILL.

ATLANTIC BLDG. PHILADELPHIA, PA.

GLENN BLDG. ATLANTA, GA.

Service—

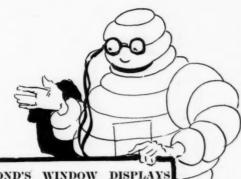
that doesn't stop when the order is received!

> "It's teamwork, the pulling of all together"—that makes sales grow.

To team-up with National Advertisers, The Richmond News Leader maintains a Merchandising Service Department to further promote the distribution and sale of products advertised in its columns—giving service that doesn't stop when the advertising order is received.

Personal calls on dealers and distributors, letters to the trade, securing window displays (in addition to offer of free use of three News Leader merchandise windows), trade surveys, salesmen's route lists and market information furnished, preparing and distributing broadsides to dealers, and other suitable services to National Advertisers help to localize campaigns and insure greater results.

Extra service helps, and extra service pays—during the month of August, 1928, The Richmond News Leader published 162,736 lines of national advertising in six weekly publishing days—just 1,064 lines less than DOUBLE the volume of national advertising lineage published during the same period by the local competing seven-day paper. Good service backed by dominant circulation counts, and counts every time!



RICHMOND'S WINDOW DISPLAYS
ARE SUCCESS

Richmond Branch is finding the use of a window of the Richmond News-Leader for display purposes a very profitable investment of thought and time, according to J. D. Tunison, Branch Manager, who does the decorating. Like publications in many other large cities, the paper offers its windows to its advertisers free of charge for exhibits.

The first week that a display was exhibited the 34x7 Heavy Duty was featured. As a result, two 34x7's were sold to a bus driver who had seen the casings on display.

The Heavy Duty Supertread was then displayed and several inquiries regarding the new tire were made.

The News-Leader's window faces a square where all the buses have their terminal and is therefore a particularly good place for the display of tires, being seen by both bus drivers and the general public.



Reprint from August issue of Michelin Tire Company house organ— The Michelin Top Notcher.



The Budd-Michelin Wheel Mounted with a

The Richmond NEWS LEADER

Represented by

THE KELLY-SMITH COMPANY

Graybar Building New York

1357924680246802 468891468

> Atlantic Building Philadelphia

Tribune Tower Chicago

Waterman Building Boston Glenn Building Atlanta

CONFIDENCE



"HOW can advertising be made to function more actively as a buying guide?"

John Benson, President of the American Association of Advertising Agencies, recently asked this question in "Advertising and Selling," and himself gave the answer:

"Simply by gaining and holding more popular confidence in its statements, by making those statements more sincere, more informative and more helpful to the reader."

In the Advertising Index of October Good Housekeeping-will be found a com-

prehensive list of manufacturers who share Mr. Benson's ideal and who have found a magazine in which their advertisements not only inform and counsel—but also sell.

These advertisers, knowing that the reputations of their concerns depend on their products, willingly submit them to the inspection and tests of Good House-Keeping specialists, so that Good House-Keeping can determine their worth and place a money-back guarantee behind advertisements of these products.

In this way GOOD HOUSEKEEPING under-

Good Hou

NEW YORK CHICAGO BOSTON

928

Creates SALES

writes satisfaction for modern Every woman in clothes and accessories, furnishings, foods, perfumes, cosmetics, household equipment and all other kinds of merchandise she purchases. In this way advertising in Good Housekeeping, sharing equally in the confidence the editorial pages inspire, creates both desire and sales.

Ask any of the more than 1,600,000 progressive Good Housekeeping families what monthly page in the magazines serves them as a Buying Directory. They will reply out of their satis-

factory experiences: "Good Housekeeping's Index of Guaranteed Advertisements!"

Viewing it from the retail side, alert merchants in all large buying centers will bear out what this owner of an Ohio department store says of GOOD HOUSEKEEP-ING as a sales force:

"We are certain any lines advertised in Good House-keeping are trustworthy and as represented. Many of our customers feel the same way. Frequently the simple statement that Good House-keeping endorses the item is the argument that clinches the sale."



GOOD HOUSEKEEPING'S ADVERTISING INDEX FOR OCTOBER

EVERYWOMAN'S MAGAZINE

Every Manufacturer's Market

SEKEEPING

DETROIT SAN FRANCISCO



Three of New Orleans' eight larger suburban towns are on the beautiful Gulf Coast of Mississippi, four season resorts which attract fortunate visitors from Louisiana, Arkansas and Mississippi in the summer months and those from colder latitudes in the winter.

But—there's more than seasonal homes, clubs and hotels here. There are wonderfully fertile acres producing fruits in abundance. There are truck farms, poultry farms, stock farms, dairy farms, shrimp and oyster canneries to make life on the Gulf Coast profitable as well as pleasant.

Gulfport, 9,439 population, is the only deepwater port between New Orleans and Mobile, and because of its excellent railroad facilities does a thriving shipping business. It is the

leading commercial and industrial town of the group. Biloxi, 13,028 population, with its romantic history reaching back into the days before New Orleans was founded, is the favorite resort town. Bay St. Louis, 3,033 population, is a town of homes, where its people live to live well.

All are in commuting distance from New Orleans, with efficient train and bus service. New Orleans' leading department store makes regular deliveries. The Times-Picayune has 1,843 daily circulation in these three larger towns alone; 3,056 on Sundays, and that by no means approximates its Gulf Coast suburban circulation. No other New Orleans newspaper can offer coverage approaching The Times-Picayune's, city or suburban.

New Orleans, city and suburban, is now opportunity's market and THE TIMES-PICAYUNE is New Orleans' medium

The Times-Picagune

Member 100,000 Group of American Cities, Inc. Member Associated Press Representatives: Cone, Rothenburg and Noee, Inc. Pacific Coast Representatives: R. J. Bidwell Co.

VOL. XV. No. 13 September 29, 1928 Published Every Saturday

Sales Management

New York Office: 420 Lexington Ave. Chicago Office: 333 N. Michigan Ave.

CONTENTS

What's Behind the Colgate Palmolive Peet Merger	•	693
Letters That Warm Up the Cold Prospect		694
We Keep Our Branches Under a Microscope		697
How the Red and White Plan Serves 4,000 Grocers		698
Four Kinds of Prospects, Questionnaire Sorts 'Em		701
By Specification or by Brand—How Shall We Buy?	•	702
No Credit Stringency Is in Sight, Say Bankers		705
Trade Commission Explains Its 225-page Questionnaire		706
The Advertising Gallery		708
Latest News in Sales and Advertising, Beginning on		712
Sales Management Versus Farm Relief		726
Advertising Is Its Own Best Critic		726
Are You Getting Your Money's Worth from Business Papers?		726
A Stable Industry		726
		120

RAYMOND BILL, Editor; HENRY J. WRIGHT, Advisory Editor: EUGENE WHITMORE, Managing Editor; H. C. NORTH, A. R. HAHN, Associate Editors; EUGENE DE LOPATECKI, Art Editor; LAWRENCE M. HUGHES, News Editor.

Toronto Office:

66 Temperance Street
A. T. TURNER , Manager

European Office:
London, W. C. 2
33 Chancery Lane
G. D. YOUNG . . Manager
Sydney (Australia)

CATTS-PATTERSON CO., LTD.

nc.

SALES MANAGEMENT, INC. 420 Lexington Avenue, New York, N. Y.

RAYMOND BILL, President: PHILIP SALISBURY, J. F. WEINTZ, C. E. LOVEJOY, Vice-Presidents: EARL CONSTANTINE, Treasurer; T. J. KELLY, Secretary; PHILIP SALISBURY, Director of Advertising; J. B. KEENEY, Manager Qualitative Analysis of Media; M. V. REED, Eastern Advertising Manager; R. E. SMALLWOOD, Circulation Manager

Subscription Rates: Single copies, 20 cents. Yearly subscriptions payable in advance, \$4.00 for fifty-two issues, anywhere in the United States or its possessions or in Mexico. In Canada, \$4.25, and \$4.50 in foreign countries.
Subscriptions to Sales Management & Advertisers' Weekly are dropped promptly when they expire.

Established 1918 by The Dartnell Corporation. Member Audit Bureau of Circulation and Associated Business Papers, Inc. Operated in association with Federated Business Publications, Inc. Telephone Lexington 1760, New York. Cable, Elbill, New York.



When the winners get their prizes —what's the impression then?

If our service is used, this all-important conclusion to the campaign is guaranteed to be exactly as you want it. We have insured it in three ways:

We shipped that prize the day we got the order, so it reached the winner while he still had steam up.

We made it possible for him to get a much more valuable prize for his accomplishment by saving his S. M. a good chunk of money.

We said right out loud and meant it—if it doesn't please you 100% we'll swap it for something you want

Getting the contestants interested and enthusiastic is our first job—our catalog of prizes does a good part of it—makes their eyes sparkle and their wives covetous.

Making the winners happy is another job we watch like a hawk. And how the spirit of a satisfied winner does percolate through the sales force.

Get a line on our service now. You'll probably want to use it soon. You don't need a coupon—just take your letterhead, scribble on it "Send contest dope" and have some one slip it into an envelope with this address.

Premium Service Co., Inc. 9 West 18th St. New York



They Say That-

LEROY P. SAWYER has become commercial vice-president of the RCA Photophone, Inc., New York, effective October 1. Mr. Sawyer was formerly general manager of the Buckeye lamp division of the General Electric Company, and chairman of the sales organization of the National Lamp Works. For the past two years he has been in the general executive offices of the company in New York. E. O. HEYL has also joined the executive staff of RCA Photophone, Inc.

DELANCEY KOUNTZE, formerly treasurer of Devoe & Raynolds Company, paints and varnishes, New York, has been elected chairman of the board to succeed Dr. I. W. Drummond, who will retire.

Mr. Kountze joined the company after the war, and soon became a director. Dr. Drummond has been connected with Devoe & Raynolds for more than fifty years. He was elected a director in 1922 and became chairman in 1923.

CHARLES A. AUSTIN will have charge of sales of the Phelps-Dodge Sales Company, formed at New York this week by the Phelps-Dodge Corporation, Nichols Copper Company, the Calumet and Arizona Mining Company and the Old Dominion Company. The agency will market about 40,000,000 pounds of copper monthly, including the entire production of these companies and of their clients, the United Verde Extension Mining Company and the Granby Consolidated Mining, Smelting and Power Company.

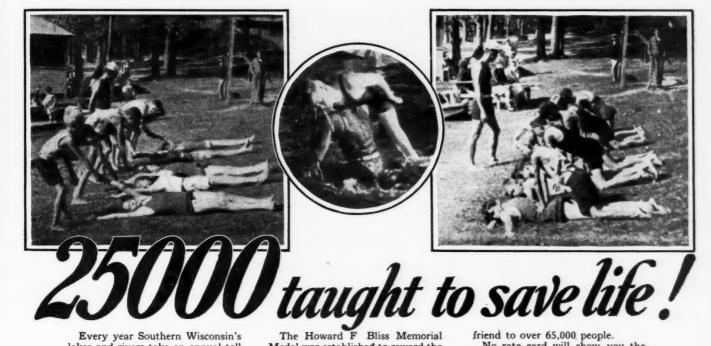
Major executives will be Walter Douglas, chairman of the board; E. Walter Nichols, president; Gor-Don R. Campbell, vice-president; A. T. Thomson, secretary and treasurer; Walter C. Bennett, chairman of the advisory committee, and Charles A. Austin, manager of sales.

WARNER A. CORY, for fourteen years a representative of the food brokerage firm of Seavey & Flarsheim, Kansas City, Missouri, has been appointed vice-president in charge of sales of the Hecker H-O Company, Buffalo, New York. Mr. Cory became sales manager for Hecker H-O on August 1. Upon leaving college he entered the Blackburn Brokerage Company, Kansas City. A year later he joined Seavey & Flarsheim as a salesman. In 1923 he was appointed sales manager.

FRED H. GEYER has resigned as manager of the Detroit office of Alexander Smith & Sons Carpet Company to join the sales staff of the Mohawk Carpet Mills, Inc., Amsterdam, New York. His headquarters will be in Detroit. MURDOCK MACLEOD and WILLIAM J. MALLOY have also joined the Mohawk sales staff in the Eastern territory. Several other members have been added to the sales staff. LESTER E. GREEN comes to the com-

pany from W. & J. Sloane, and will be located at Des Moines; H. W. Lyon, from Joseph Wild & Company, covering Eastern territory, and JOHN C. BLACK, from Alexander Smith & Sons Carpet Company.

The Bennett Pumps Corporation of Muskegon, Michigan, and the Service Station Equipment Company, Ltd., of Canada, have merged into a \$6,500,000 corporation, each company retaining its identity. Thomas Bennett, president, and S. N. Frensborf, vice-president of the Muskegon corporation, will become directors in the new company. The merger will not affect the present officers and directors of the Muskegon company.



Every year Southern Wisconsin's lakes and rivers take an annual toll of precious lives. To remedy this situation, to teach the men, women and children living in this territory the simple rudiments of life-saving was a definite, difficult job—a task willingly assumed and successfully completed this summer by the Janesville Daily Gazette.

The Red Cross, Boy Scouts, Good Times Club with a membership of 5,780 Southern Wisconsin boys and girls, City and Playground officials and kindred organizations-all were moblized by the Gazette in this great effort to teach the fundamentals of life-saving.

Two life-saving and swimming experts gave demonstrations at Township Play Days, County Fairs, Water Carnivals, and at special classes at nine strategic points in four counties.

Medal was established to reward the outstanding acts of heroism each year in saving life on water. gold medal carries with it a cash award of \$50—the winner to be selected by a committee headed by the Governor of the State of Wiscon-

Supporting this Safety campaign were columns of publicity in the Gazette, featuring a daily swimming lesson. Every boy or girl, passing his examination is given a membership button in the Gazette Swimming Club

To maintain interest throughout the winter a Gazette motion picture will give visual instruction in swimming and life-saving in schools of Southern Wisconsin.

Over 25,000 people in four short months took life-saving lessons under Gazette supervision. Ignorance drowning hazard had lessened apfriend to over 65,000 people.

No rate card will show you the value of Gazette good will in Southern Wisconsin-or its power to influence the buying habits of 13 out of 15 homes in the Greater-Janesville Territory.

Helping to sell every product advertised in the Janesville Daily Gazette is a reader-confidence which has grown to unique proportions through years of friendliness and understanding-fostered and made all the more powerful by a human editorial policy which, whenever possible, is lifted out of the column rules which bind an editorial page and into the very lives of the people it

Advertising dollars are well spent in the Janesville Daily Gazette. Over 200 national advertisers can tell you a success story about their Gazette campaigns.



SELL

THE NEW YORK MARKET

Many outside manufacturers consider New York a hard market. It isn't...it's a huge market

NEW YORK is the most profitable sales market in America . . . and the richest. Here, salesmen can see a maximum number of dealers with a minimum outlay of time and expense. Calls per day increase and cost per call decreases, because its outlets are so many and so close together.

The cost of covering any territory with salesmen is chiefly made up of Time, Traveling Expense and Sales Control.

The whole pulse of this huge market can be felt day by day . . . so campaigns can be profitably analyzed as they proceed.

Here people live well, buy regularly, and are interested in new things and new thoughts of products already known to them . . . a live responsive buying public.

Many large National concerns sell from 15 per cent to 25 per cent of their total production here.

With volume comes low selling cost. Basically, the big difference between the small and the large market is a greater volume and a lower selling cost in the larger one.

You can develop splendid business here or increase your present business. Working the market progressively, you have here a greater opportunity for doing so than anywhere else in America.

And the sales key of America's greatest single market is the New York Evening Journal . . . with dominant circulation in every income group . . . reaching daily more than twice as many homes in Metropolitan New York as any other New York standard morning or evening newspaper.

NEW YORK EVENING JOURNAL

One of the 28 Hearst Newspapers read by more than twenty million people

HEARST BUILDING CHICAGO 9 EAST 40TH ST. NEW YORK

BOOK TOWER BUILDING DETROIT

Sales Management

VOLUME FIFTEEN, NUMBER THIRTEEN

NEW YORK, N. Y., SEPTEMBER 29, 1928

What's Behind the Colgate Palmolive Peet Merger

BY FORREST CRISSEY

An interview with Charles S. Pearce, President, Colgate Palmolive Peet Company, Chicago.

Even in these days when mergers have become as common as chain drug stores, the Colgate-Palmolive-Peet merger has set the business world talking. Why should two companies, as successful as Colgate and Palmolive, the former holding a leading position for 126 years, combine? In this interview President Pearce gives their reasons, and explains the future sales plans of the newly combined organization.



Region of the reaction to the recent merger of Colgate & Company and the Pompeian Manufacturing Company with The Palmolive-Peet Company.

Namerica's great Army of Business has lately been startled into sharper realization that the modern principle of consolidation is extending its frontiers into new territory and planting the banner of Big Business in domains heretofore neglected. Such has been the reaction to the recent merger of Colgate & Company and the Pompeian Manufacturing Company with The Palmolive-Peet Company. Many another merger involving a greater consolidation of

capital has failed to produce the nation-wide interest which this reorganization has provoked.

A few weeks ago—so runs a traveling salesman's story—a venerable druggist, in a remote Vermont village, walked across the street with his newspaper in his hand and interrupted a conversation between the local grocer and a visiting salesman with this remark:

"Amos, read about Colgate and Company joining up with that big Chicago soap concern? Don't it beat the Dutch? Can't understand it. Why, I've been in business right here for fifty years and my father kept store for that long before me and he told me that the first toilet supplies he put in were made by the Colgates; said he: 'I put in that line because the Colgates were well established and had been known for making good

goods for about a quarter of a century."

Before the grocer could reply the traveling salesman for the Boston jobbing house cut in with the remark:

"Yes, they started 126 years ago. Every man in our concern is trying to figure out what's behind this move and what's going to happen in the soap and toilet article trade as a result of it."

"And I'd like to know," remarked the village grocer, "whether this consolidation is going to make the Colgate laundry soap cost me more or less. Folks around here don't take to any other soap, but the margin of profit in it is too narrow. I'd like to see it made a little wider."

This incident is typical of discussions which have taken place in thousands of retail stores all over America,

(Continued on page 722)

Letters That Warm Up the Cold Prospect

BY LAWRENCE C. LOCKLEY

A sales manager can save his men countless calls on persons who are definitely not prospects and prepare the ground for a sale where they are, by an intelligent use of well-written sales letters, declares this authority on business correspondence.



HE specialty salesman who starts out on a cold canvass faces one of the most disheartening tasks a human being can attempt. Possibly in nine out of every ten offices at which he calls he will be met by people who are definitely not prospects. But these hopeless cases are never labeled. Sales resistance must always be broken down—so friend salesman makes the best sales talk he can, wondering the while whether he is wasting his breath.

It's no wonder his morale sags and the sales manager lies awake nights trying to find out how to keep him away from the baseball game.

Moreover, when the product to be sold is expensive and intricate, even at the tenth office, the man whose O. K. means order is often half-brother to Mr. Anonymous, and protected from visitation by a regular quarantine of secretaries and assistants. So difficult of access is he, often, that the time spent in detailing the pedigree of the salesman's product is likely to be all the time he has.

Necessary Preliminaries

Three things are necessary before the salesman can get into action in his own role. A selection of prospects, a winnowing of chaff from wheat, must be made. The right man to approach must be located. All possible introductory and preliminary information must be put before this right man, so that when the salesman sees him the two can get down to business without unnecessary conversation.

These three tasks the sales manager has a right to expect from direct mail. In addition, he may hope for a further service—the actual invitation for the salesman to call. When this last feat is accomplished, about all the sales manager needs to do is to requisition plenty of order blanks.

Direct Mail Neglected

Reduced thus to its fundamentals, the use of direct mail to reinforce oral selling sounds simple. This simplicity, however, is either purely synthetic or entirely overlooked by most sales managers, for direct mail rarely gets a good chance to do the job, and when it is used it is so used that it rarely hands in its results on a silver salver. In spite of the strong apparent advantages, I think I am safe in saying that a majority of firms who sell by means of salesmen do not use letters or other forms of direct mail to crash the gate for their salesmen, to wear down sales resistance, or to follow up the salesman's call.

Why doesn't the typical sales manager use so helpful an ally? Probably because, like the tyro aviator who tried fly powder before a flight, once has been enough.

One example—a letter sent to me—may throw light on the burnt-child attitude:

Dear Sir:

A special representative of this company will call upon you in a few days and I will greatly appreciate your giving him sufficient time to bring to you personally the message of the management.

I am sure you will be interested

and will gladly grant us an interview without obligation on your part.

Sincerely yours,

Now I am not being merely captious when I say that such a letter is more likely to hinder than to help. Here was a contingent lien on my time. I felt as cheered up as though I had been told by a stranger that I was going to get a bill from him. I had no reason to see the company's special representative; I could not be sure that I did not want to see him, but most certainly I was not predisposed in his favor.

If—and from my experience I am willing to vouch for the fact—this is typical of the letters sales managers send out as ambassadors for their salesmen, then it is no wonder that the sole result seems to be arousing resentment on the part of the sales-

men.

The letter or series of letters and mailing pieces preceding the call of the salesman should do more than threaten the visitation. It should give the prospect at least one good reason for seeing the salesman. It should give him some subtle suggestion for his subconscious mind to chew over. It should make as definite an appointment—so long as the initiative is left with the salesman wherever possible—as the circumstances permit. And it should wear the guise of an individual letter.

It is not necessary that the individual letters be individually dictated. The following letter shows how effective a generalized approach can be: Dear Mr. Blank:

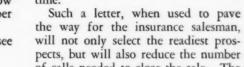
If I may, I should like to talk with

D I S B ft tay

your situation carefully, tell you what form of business insurance you need if we agree you need any, and how you can get it at the lowest cost per dollar of insurance.

I'll phone your secretary to see when we can meet.

Very truly yours,



of calls needed to close the sale. The ideas behind the letter are not peculiar to insurance selling.

make it easy for the prospect to see

the salesman at the most convenient

Even telephone selling can be made a convenient and extraordinarily cheap method of closing sales if it

has direct mail cooperation like this



If I may, I should like to talk with you for fifteen minutes some day soon about business insurance.

Business insurance has come to be recognized as a necessity for credit stabilization, for amortizing bonds or other long term indebtedness, and for anticipated capital expansion—as well as for protection. So I am not going to try to "sell" you on it.

But the field is so specialized, and the application to general business so recent that the average business man and the average insurance salesman alike find it confusing.

Because I have made a detailed study of the subject, I can, in the fifteen minutes we shall chat, analyze your situation carefully, tell you what form of business insurance you need if we agree you need any, and how you can get it at the lowest cost per dollar of insurance.

I'll phone your secretary to see when we can meet.

It is not necessary that the individual letters be individually dictated. The letter at the right shows how far a generalized approach can be made effective.

Helly Skelly

you for fifteen minutes some day soon about business insurance.

Business insurance has come to be recognized as a necessity for credit stabilization, for amortizing bonds or other long-term indebtedness and for anticipated capital expansion—as well as for protection. So I am not going to try to "sell" you on it.

But the field is so specialized, and the application to general business so recent, that the average business man and the average insurance salesman alike find it confusing.

Because I have made a detailed study of the subject, I can, in the fifteen minutes we shall chat, analyze Notice how the most telling arguments for business insurance are suggested. Just enough is given to allow the prospect to formulate intelligent questions. No doubt the recipient of the letter will take the "not going to sell" phrase with a little salt. But—if the salesman is skillful—the ground is laid for a diagnosis that will allow the salesman to present facts sufficiently telling to compel the prospect to sell himself.

Undoubtedly, the strongest part of the letter is the last paragraph. No compulsion is put on the prospect; he has a chance to back out. But the arrangement takes every precaution to Dear Sir:

One of my assistants, Miss Henry, will telephone you tomorrow or the day after. So that she won't take any more of your time than necessary, I'm going to write you the background of her request.

The Journal is going to devote a large share of its news columns during the week of August 16 to the big Trade Exposition to be held in the Harvey Auditorium, and is going to print a special Exposition Number.

You may want to be represented-

view

cap-

er is help.
my ough nat I n. I any's ot be him, edis-

am —this agers their that asing salesand 1 of

than give cason ould for over. oint-left ole—and it dual

indiated. ffecbe:

with

^{*}Reprinted from Lockley, Principles of Effective Letter Writing, Chap. XX, "Helping Salesmen With Letters"—with permission of the publishers, McGraw-Hill Book Company.



Sales Letters That Pull-and Why

The accompanying article is the first of a series of three. The second, "Letters to Head Off Competition Between Salesmen's Calls," will appear in the issue of October 13. The third, "Do Your Salesmen Fumble Sales Letter Opportunities," is scheduled for October 27. These articles are not built up only on theory, but they include some real letters which have in them concrete "liftable" ideas. Mr. Lockley was formerly correspondence counselor for the Los Angeles-First National Trust & Savings Bank, and he has handled, also, direct mail accounts in many other lines, including insurance, office equipment and various types of service.

not merely "to be there," but because of special advertising value to you:

1. The publicity that will be needed to "put over" the exposition will focus public attention on such lines as yours; you will benefit by having your advertisement where visitors will turn for suggestions and information.

2. These editions, particularly the big Monday edition, will have a large distribution, and a distribution chiefly among people and firms whose buying interests are your selling interests.

There will be no increase over our

regular rates.

Miss Henry will phone you for your O. K. and copy direction.

Very truly yours,

Telephone Sales

Here the stigma attached to telephone sale. It may be noticed that and the stage set for a quick, easy telephone sale. It may be noticed that this letter, though it necessarily goes farther in the sales process than the insurance letter given above, has many of the same characteristics.

So far we have not mentioned one of the most difficult problems—weeding out the right man from the executives in a large organization. One Dictaphone sales branch used—with good results—this letter:

Dear Sir:

With the development of your business that comes to you as you move into your new headquarters, you are going to need to take advantage of every executive-labor-saving device you can.

Because I know how much the dictaphone can mean to busy bank ofcials, I should like to talk with you some time about dictaphones in the Blank National Bank.

It is entirely possible you will be too busy to talk to me about the dictaphone. If you are too busy, I should be very glad if you would let me know who is the proper man in your bank to talk purchases to.

Whether I talk to you or to someone else, I should like very much to put a dictaphone on your own desk, so that you can see for yourself how much of a load it could lift from the shoulders of a busy bank officer. Naturally this will entail no obligation to buy the machine.

I'll telephone you in a day or so to find out what time you will have

a few minutes to talk.

Very truly yours,

Not only does such a letter more often than not lead the salesman to the right man, but it gives him an opening advantage. He can say:

"Mr. Blank, your president, asked me to talk with you about the dicta-

phone."

He gets attention! Moreover, when the purchase comes up, as it may, before Mr. Blank for consideration, the ice is broken. Mr. Blank, having done the salesman a slight favor, feels a little more friendly toward him than he would toward an utter stranger.

Breaking a Deadlock

Often the salesman is neatly pocketed by a minor official who has no power to act. There is no graceful way out. The deadlock is complete and things sound as though they would be quiet along the Potomac from now on. In such a case a letter is the obvious court of appeal. It may be that if an approach can be made to the chief executive the situation can be saved. This letter stands a good chance of turning the trick: Dear Sir:

If you were taking onto your staff a new officer who would earn, we will say, \$600.00 a month, the chances are you would want to talk to him yourself to find out what kind of a man he is, and what you think he could do for the bank.

Ordinarily I shouldn't think of calling to the personal attention of the president of a bank like the Blank Trust & Savings a matter of office appliance or office machinery.

But when that office machinery may cost the bank as much as such an officer's yearly salary, and will save in actual reduction in the cost of letters possibly twice that much each year, then I think it is worth bringing to the attention of the president.

I should like very much to talk with you for a few minutes about the dictaphone.

I'll telephone your secretary Friday to find out if you have a few minutes to talk

Very truly yours,

Why They Are Successful

These letters have had good luck. But our present interest is not so much in reading successful letters as in seeing why they worked, and how their achievement can be duplicated in other businesses and under other conditions.

Their first advantage is that they are individual letters. At least, when they go out they are individually typed and are personalized by the inclusion of timely and intimate data when relevant and helpful.

What's that? Do I sense the objection that such a method would be expensive? Of course it costs money. But it is worth a lot more than it costs. Even considering the highest figures on the cost of individually dictated letters (my own estimate for the average cost is between 50 cents and 60 cents), the letters cost less than the salesman's call—either directly or indirectly, through the loss of potential selling time. Moreover, these letters are not individually dictated. They are based—or should be under normal circumstances—on a flexible

(Continued on page 728)

call-

the

lank

office

may

n an

e in

etters year,

g to

talk

the the

riday

utes

ıl

luck.

nuch

see-

their

in

con-

they

vhen

ually

e in-

data

ob-

d be

ney.

osts.

gures tated

the

and

than

y or

hese

ated.

nder

xible

We Keep Our Branches Under a Microscope As told to D. G. Baird

BY JOSEPH P. GLASER

Every manufacturer whose sales structure includes branch offices will find this article bristling with practical suggestions for operating such sales units on a basis which insures economy of operation coupled with close control. The methods employed by this concern for budgeting branch offices, and for standardizing service to buyers, are applicable to many other lines.



J. P. Glaser

INCE 1907 the Chamberlin Metal Weather Strip Company, Inc., has been operating exclusively through branches, being probably the only manufacturer that sells and installs its entire output right in the homes of customers. It has gradually built up a national distributing and installing organization until it now covers every part of the country where weather stripping is There are 50 branches at present, with approximately 100 sales offices in addition to the branches proper, employing some 400 salesmen and 700 to 1,000 mechanics.

Experience is said to be the great teacher, and certainly we have had considerable experience in operating factory branches. As a natural result of this experience, we have developed a plan that enables us to keep in very close touch with each branch and to know pretty accurately just what it is doing at all times. Some think the plan unique; whether or not it is, it is at least practical and it meets our requirements.

Before taking up the discussion of the plan of branch operation, however, perhaps it should be explained that we tried selling through agencies, or dealers, before we undertook the branch plan. The business was estab-

lished thirty-five years ago and by 1907, when the change was made, was distributing its product through about thirty agencies. These agencies were supplied with the materials, which were fully covered by patents and were supposed to maintain uniform sales and service policies. As a matter of fact, there were about as many different sales and service standards as there were agencies. Some conducted their business on sound principles and were fairly successful; others were interested chiefly or exclusively in sales, with little or no regard for the customer or for the future.

The management of this company has always been imbued with the idea that satisfied customers are its greatest asset. They must be satisfied not only at the time the sale is made, but forever after. Both our product and our work are guaranteed. An installation that gives perfect satisfaction for five or ten years may hurt our business afterward. Many aggressive sales organizations can take a territory and work it dry in one year, but we don't want any territory worked dry. We want every territory to become richer every year.

That is why we changed to factory branches. Permanent satisfaction with our product depends so much on the General Sales Manager Chamberlin Metal Weather Strip Company, Inc., Detroit

methods of selling and installing it that we wanted to prescribe every little detail and then insist that our standards be maintained. We even indicate where the nails shall be driven, and we indicate plenty of them. On an inspection trip recently we found a mechanic using just half the number of nails indicated. "Dem marks no bother me," he said. "I yust yump every other one." In the years to come, when the few nails he had used began to work out, that job would have bothered us, all right. For the same reason,

we furnish all tools used by the mechanics and prescribe the exact, detailed method of procedure in making every installation.

In 1907, then, Chamberlin rushed in where angels fear to tread. There were a few chain stores in those days and fewer factory branch organizations. Not much was known about managing a widespread organization. Nevertheless, we let about half the agencies drop out and bought out the others—the ones that had followed good business principles and made a start toward building up a permanent business—paying for them in stock of the new company and taking the former owners in as branch managers.

Some readers will recall that there was a panic in 1907-08. There was, anyway, and the ambitious plans of the Chamberlin company were materially retarded. Growth was slow for several years, while we gradually built up a strong organization, putting practically all the profits back into the business. It was not till 1921 that we reached a volume of a million a year, then we jumped to five and a half million in the next five years. We had become soundly established and began to advertise and sell more aggressively; that's when business began to increase

(Continued on page 729)



Practically everything that the participating jobbers and 4,000 Red & White retail stores sell today in the line of so-called packaged merchandise, including about 500 items, bears either the "Serv-us" or "Red & White" label and is purchased by the Red & White Corporation according to its standards.

How the Red and White Plan Serves 4,000 Grocers BY LLOYD S. GRAHAM

ODAY, in practically all parts of the United States and Canada, we find grocery stores with uniformly painted red fronts and with a sign bearing the words "Red & White." There are more than 4,000 of these stores in existence today, a development of about six years, probably exceeding in number any other group of groceries with perhaps two exceptions, and these much older organizations.

In the Red & White plan, the conventional relationship between the wholesaler and the retailer is preserved with some modifications to the end that both may stay in business and presumably produce profits. Approximately thirty-five jobbers in the United States and Canada serve the 4,000 Red & White groceries.

While there is little change between the wholesaler and retailer, the relations of the manufacturer and wholesaler are radically different from the conventional ones. The Red & White plan has evolved naturally as a defense of the retailers and the wholesalers against a common enemy—the chain store organization. The cordiality which exists between wholesalers and retailers in this plan was unheard of in a bygone day when most wholesalers considered it their privilege to 'sell' any retailer anything he could

One answer to chain store competition has been the Red & White Corporation, whose "Serv-us" and "Red & White" brands of goods, distinctive style of store front and interior, and modern methods of merchandising are being used by 4,000 grocers in the United States and Canada while the individual store owners still retain absolute control of their businesses. The story of this system is filled with suggestions for other types of retail business which are beginning to feel the wall against their backs.

pay for. The attitude here is quite the reverse. The wholesaler takes care to see that the retailer does not buy that which he does not need. A singular community of interest prevails throughout the entire system.

This community of interest is most graphically shown in the semi-annual conventions which are held and in which anyone interested in the Red & White plan may cooperate and participate. This includes retailers, wholesalers, Red & White Corporation executives and manufacturers. Prices, trade relationships, margins of profit in each step of the distribution

process, and the like are discussed freely and openly by all of those present.

Fifteen years ago R. W. Baker, secretary, treasurer and general manager of the Red & White Corporation, with headquarters in Buffalo, retired from the wholesale grocery business in Chicago. He could see then that there was trouble ahead for the wholesale grocer. And he could not see any solution at the moment. The power of the chain grocery was then beginning to be taken seriously.

Mr. Baker spent a year's vacation in Europe, returned to Chicago and

The effect that the Red & White Corporation has on store-keeping methods is demonstrated in these "before and after" photographs of a grocery store in an Illinois town. When a retailer joins the Red & White system, the interior layout of his store is modernized in accordance with the latest tested store-keeping practices



engaged in another line of business, but the problems of the wholesale grocer still claimed his attention. He finally came to the conclusion that, somehow, selling costs in food products from manufacturer to consumer must be cut down to a minimum if the grocery wholesaler could hope to maintain his position in this field of distribution.

e

d

f

ed

er

th

m

in

re

le

er

Further than this, Mr. Baker decided that it would be absolutely essential for the wholesaler to emulate the policy of the great chain operators and control their own brands of merchandise.

How the Plan Developed

Mr. Baker recognized also that the independent grocer who had been successful up to that time must be encouraged by the wholesaler to adopt modern methods if he were to continue in business that all the pressure possible should be brought to bear to make him a better merchant and a better customer by making him feel the value and necessity for good store-keeping, advertising, accurate accounting and adequate display.

ing and adequate display.

With these conclusions to begin with Mr. Baker developed gradually the present Red & White Corporation. The conclusions did not all come at once and the present system has been much more than ten years developing. In the beginning the Red & White Corporation merely acted as a buying agent of controlled brands of packaged food products for a small group of

jobbers. The greatest difficulty was encountered in introducing the plan, the very class it was designed to serve often viewing it with disfavor.

About 1920 the Red & White management began to go seriously into the possibilities of extending the plan to include retail units. S. M. Flickinger, president of the Red & White Corporation and also president of the S. M. Flickinger Company, at one and the same time a successful wholesale grocer and chain store operator, began to experiment with the problem about that time.

The idea was first taken up with independent grocers in Buffalo, but the menace of the chain store was not as keenly felt by the independent at that time as it is today, and they would have nothing of the plan. But both Mr. Flickinger and Mr. Baker felt the plan to be sound and a little later it was taken up again, this time with grocers in small villages throughout western New York. Here it was successful from the beginning. Mr. Flickinger pioneered much of this development, and today his organization alone has approximately 800 Red & White stores as customers. In many instances city grocers, within recent years, have successfully adopted the plan. A. M. Slocum of Minneapolis is vice-president of the Red & White Corporation, and has had conspicuous success with the plan in that part of the country.

So much for the history of the organization. Now let us see just how

the plan functions in its present-day development.

The Red & White Corporation controls two brands. The first is the "Serv-us" which represents high quality, signified by the slogan, "Quality always higher than the price." The second is the "Red & White" brand, the standard of which is indicated by the slogan, "Good, wholesome food at popular prices." In either case definite standards of quality are kept up without variation.

A Pooled Buying Plan

Practically everything that the participating jobbers and 4,000 retail stores sell today in the line of so-called package merchandise, including about 500 items, bears either the "Serv-us" or "Red & White" label and is purchased by the Red & White Corporation according to its standards.

Under this plan the salesman is practically eliminated. Instead of the manufacturer going to the Red & White Corporation through his salesmen, the Red & White Corporation goes to the manufacturer with its requirements. No salesmen are expected or desired to call upon the Red & White Corporation and since the manufacturer has no selling expense in connection with his sales to the Red & White Corporation, he is expected to eliminate entirely the item of selling expense in submitting his price to the Red & White Corporation.

Red & White Corporation executives know about what such prices should be. They prefer to do business with large manufacturers. They take the broad view of buying and are as anxious as the manufacturer to avoid a purchase contract which will be profitless to the latter. Many of the manufacturer connections have been maintained for several years, and that is the ideal condition. No contract is desired which will produce a:

temporary profit in excess of normal but may force a manufacturer out of business and make it necessary for the Red & White Corporation to go through with the entire buying process again in obtaining a dependable manufacturer. The connection which can be maintained for years undisturbed is the one which is desired above all else, and any such connection may continue as long as the manufacturer maintains the established standard of quality and a price which is in line with the market, less his selling cost.

Manufacturers, under contract with the Red & White Corporation, often submit lower prices voluntarily when savings in production or price changes in raw materials make this possible, rather than wait for Red & White executives to check up on them.

The amount of the saving in the elimination of the selling cost varies considerably. However, the example of evaporated milk may be cited. The "Serv-us" brand is put up by the producer of a well-known, high-grade national brand and is identical to that brand in quality. In his contract with the Red & White Corporation this manufacturer guarantees it a price 25 per cent under the cost of his own brand, signifying that the amount of his normal selling expense is 25 per cent.

Price Policies

The Red & White Corporation receives its income from commissions paid to it by those from whom it contracts for merchandise. This commission varies considerably with the nature of the commodity and whether or not, as in imported items, its own money is tied up for any length of time. But throughout the entire line of 500 items, this commission averages about 21/2 per cent. Under the normal conditions of domestic purchase, the jobber places his orders through the Red & White Corporation but follows the usual trade practices as applied to the individual commodity in paying his bill, payment usually being made direct to the manufacturer or producer.

In effect, then, the price agreed upon between the Red & White Corporation and the manufacturer is the price which the jobber pays for his merchandise, it being understood that this price includes the commission to the Red & White Corporation.

While buying is the chief function of the Red & White Corporation, thus involving the control of brands, it also co-ordinates the design of labels, the design of and purchase of store signs, advertising and other items of common use in Red & White stores. In

many instances it is able to effect savings in the mass printing of labels for products and furnishes them to the manufacturers, receiving thereby a still better price.

The Red & White Corporation does not function as a manufacturer or packer. It has no warehouses. It has no salesmen. Practically all contact between jobbers and the corporation,



C. D. Garretson

Each salesman for the Electric Hose and Rubber Company, Wilmington, Delaware, names his own salary and gives himself his own raises. This is not a radical's dream but the most satisfactory solution of the salary problem that he has ever found, according to C. D. Garretson, president of the company. Just how this arrangement functions is told in next week's SALES MANAGEMENT.

and between the latter and manufacturers, is by wire and letter.

To a certain extent the Red & White headquarters act as a clearing house for merchandising information and experience of interest to jobbers and Red & White retailers.

Now let us look at the picture from the standpoint of the jobber. In connection with the jobber's allegiance to the Red & White Corporation the jobber receives the exclusive right to the use of the "Serv-us" and "Red & White" brands in his territory. He has the advantage of tremendous buying power with selling cost eliminated, with the exception of the Red & White Corporation commission. The jobber's buying problems and detail

work are reduced to a minimum. He needs to accept merchandise and pay for it only as he consumes it, thus increasing his turnover. He has the right to use the tested and accepted Red & White plan in his retailer relations.

Mr. Baker speaks of the two-year investigation of the Harvard Bureau for Business Research in which a study of 300 food jobbers showed that the average cost of doing business among them was somewhat more than 10 per cent. He states that the jobbers operating under the Red & White plan are able to do business at a comfortable profit on a gross of 8 per cent.

Operates Like Chains

The Red & White jobber is able to do this because under this plan he practically eliminates the use of salesmen in calling on retailers. Red & White store owners order their merchandise from their Red & White jobber in much the same way that the average chain store manager orders from his headquarters warehouse. The jobber does not "sell" the individual store owner, he encourages and trains him in the Red & White system by which the store owner "buys" from week to week only what he needs for his requirements. Under this plan the store owner pays for his merchandise ten days from the date of shipment. It should be noted that less stock is carried all along the line than is the case in the conventional method. Heavy jobber stocks and heavy retailer stocks are unnecessary.

Generally the jobber establishes the plan only with retailers who have been successful, but are suffering in the face of chain store competition. The retailer must agree to perform in accordance with certain modern principles of grocery store management in return for which the jobber aids him materially in starting upon that path.

The retailer must agree to painting the exterior of his store in the conventional red. He must agree to the use of the Red & White sign, over which the jobber usually retains ownership. Under the guidance of an experienced Red & White supervisor—often a transplanted jobber's salesman—the interior layout of the store is modernized, lessons are given in window trimming, he is shown how to order and is generally coached in all of the things that are to-day commonly associated with good grocery store keeping.

The supervisor is likely to personally direct the change-over from the old style to the new, and spend

(Continued on page 733)

4 Kinds of Prospects— Questionnaire Sorts 'Em

Employing but sixty salesmen to handle 60,000 prospects a year, the Buckeye Incubator Company uses direct mail to classify inquiries so that a minimum of effort is wasted upon unlikely leads.

BY R. A. ESSEX

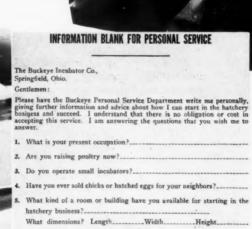
Secretary, The Buckeye Incubator Company, Springfield, Ohio

All prospects fall into four classes: old inquirers, new inquirers, users and hatcheries



NE of the big problems, as every sales manager knows, in handling a large volume of inquiries each year, is to help the salesmen select the most interested prospects so that his time is not wasted on wild goose chases after curiosity seekers, and those who are unable to buy, or whose purchases must be made far in the future.

We have two major divisions to our line—one the small incubators and brooders sold to individual users through some 7,000 dealers and wholesalers, and a line of "mammoth"



6. If you do not have a room or building available, do you know of a room or building that you could rent?_____ What dimensions? Length......Width......Height.....

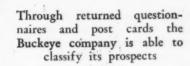
7. Do you have electricity on your place or in the room or building that

Shall we send you our free book, "Successful Hatchery Operation"? 9. Shall we have a representative call, without obligation to you, to explain

personally to you more about the baby chick business?...

incubators and brooders, sold direct to large operators of baby chick hatcheries

Direct mail plays a large part in our We have developed a sales work. system for classifying prospects so that our salesmen can follow up inquiries with the least amount of wasted effort on unlikely leads. We handle



an average of 60,000 prospects a year, 35,000 of whom are prospects whose original inquiries are from one to two years old, plus prospects whose inquiries are more than two years old, but who have indicated in one way and another that they are still interested. About 15,000 represent inquiries from the current year's advertising; 7,500 are present users, and 3,500 are users of competitive equipment.

For these 60,000 prospects we employ sixty salesmen, obviously not enough men to make personal calls on all.

And so we rely largely on direct mail to help eliminate as many useless calls as possible, concentrating on those who appear, by the information they give us, to be worth personal sales effort.

We feel that our success is largely (Continued on page 720)

He pay inthe ted

928

ear eau a hat less nan

re-

ob-82 at f 8

to he les-& ernite the lers

Γhe ual iins by om for the

lise ent. 15 the

od. iler the een ace re-

oles urn ateing on-

rd-

ver ins of oerer's the

the

ven ow in om-

perrom

cery

end

By Specification or by Brand-How Shall We Buy?

THE Bureau of Standards at Washington has recently been agog over the subject of specifications for merchandise pur-

Because of Stuart Chase's activity, the idea of a wider use of specifications for buying merchandise and the development of laboratories has been receiving much attention, and the Bureau of Standards has been urged to provide more information. The National Retail Dry Goods Association fosters a laboratory test idea for the purchase of goods by retail stores "on a specification basis rather than a brand basis.'

As a matter of fact laboratory work in testing merchandise has been used by the best department stores for years. It is no new idea. To offer it as a backfire against the inroads of the purchase-by-brand idea is to try to tilt at windmills, for it is rarely the well-known, well-advertised brands for which laboratory tests are important. Their quality in all but an admitted narrow fringe of cases is very high, for these manufacturers have extensive laboratories of their ownfar more complete for the article in question than any department store could provide.

"Certification Plan"

Nevertheless the publicity given to Mr. Chase's idea that the Government set up standards for merchandise for the public's use has brought the whole matter to a focus, and it is time that the basic merits and demerits of this idea be looked at closely from the advertiser's point of view, and the consumer's. This is particularly important since a new plan is going into action, fostered by the Bureau of Standardsthat of publishing and distributing lists of manufacturers willing to certify to the compliance with the specifications set up by the bureau. This "certification plan" is now being applied to 200 United States Government master specifications. Of these 200, there are now 146 for which lists of certifying manufacturers are furnished on request by the bureau. This list includes of course a great many items of technical goods, but it also

BY J. GEORGE FREDERICK

Suppose the Government does set up standards for merchandise for the use of consumers in general purchasing—is there anything for the legitimate manufacturer to fear? Will it in any way affect good will values set up by national advertising? Or will it tend to demoralize quality markets? Mr. Frederick touches upon these points in this article.

includes such goods of popular consumption as all varieties of soap, brushes and brooms, electrical goods, paper, roofing and leather; silverware

and fire extinguishers.

To date the number of manufacturers willing to certify to meeting the specifications in the entire 146 lines is 3,183; the average number of such manufacturers per commodity being 22. Bear in mind that this plan amounts to an actual guarantee by these 3,183 manufacturers that their goods are up to the specifications.

It becomes apparent that there are plenty of manufacturers perfectly ready to guarantee that their goods are up to the bureau's specifications, and, as a matter of fact, many of the makers' goods are much above the specifications. If there were specifications for all commodities, there seems no question but that there would be plenty of manufacturers who would guarantee to meet them. Moreover, it is a certainty that these lists contain the names of the leading manufacturers. In any soap lists, such names as Lever Brothers, Procter & Gamble, etc., appear unfailingly; and the same is true of the leading advertisers in

The point is that the great fuss and roar over buying by specification rather than by brand is somewhat pointless, since inquiry only proves that, with a very small margin of exceptions, the national advertisers, the most active proponents of brand buying, are already up to and beyond rigid specifications of quality. This fuss and

roar is something of a herring dragged over the fox's trail—the fox being the private brand which may just get by the government specification while the advertised article of quality goes far beyond it. In perfect fairness it must be said, of course, that there are commodities of a perfectly standard type, like sugar or flour and other standard staples to which no additional technical quality can readily be added. There are, however, other values, as every good merchandising man knows, beyond technical, specified commodity values. They bulk very large in the public's mind-and well they may. A few of the prominent items of such values are:

1. Assurance of quality.

2. Assurance of stability and uniformity of quality.

3. Convenience of package size, shape, design.

- 4. Reputation of maker for thoroughness, honesty, progressiveness. 5. Sanitation.
- 6. Policy, plan, tradition and specialization, pride of creation. 7. Value at the price; uniformity of

8. Universal accessibility and dis-

9. Special individual touches. 10. Pure arbitrary preference.

These are matters beyond all specifications, the individuation, which is not only the basic commercial reason for existence of a particular company, but also the salvation of that company from that jungle of businessmere price competition.

for ral ate ect Or Ir. le.

ged the by the far ust mpe, ard ched. as ws, lity the A ich

ni-

ze,

or-

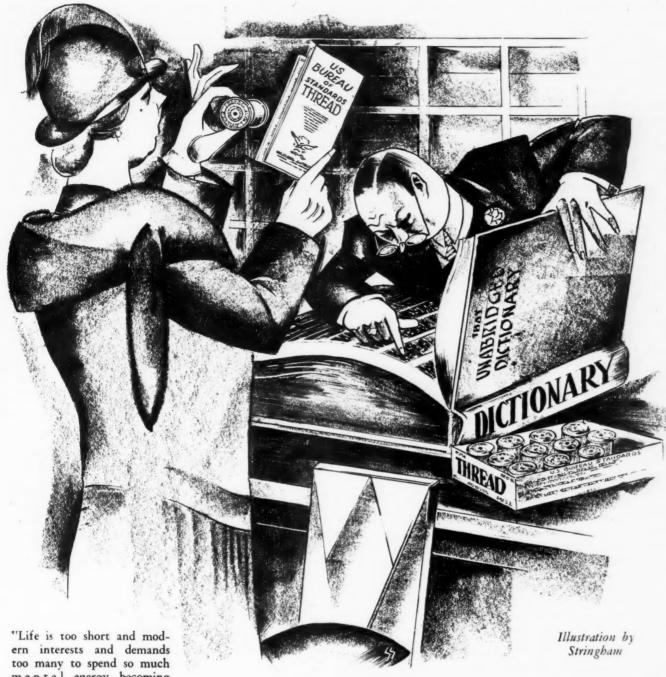
e-

of

is-

ci-

is



ern interests and demands too many to spend so much mental energy becoming something of an engineer and technician in order to be able to buy a spool of thread expertly."

The promoters of the idea of buying by specification versus buying by brand would—perhaps unwittingly—reduce the business world to the same terrible shambles, "sharp of tooth and red of claw," out of which it has evolved to the great good of the public. One has only to note the serious conditions existing in such industries where buying by specification and specification alone is the habitual thing. Ask any steel manufacturer about the state of the industry, and he will tell a tale of cut-throat competition by the smaller steel mills, with

everything focusing on price until the profit is not only all gone but orders are frequently taken at below cost of production. The big fish in the steel business are, therefore, steadily eating the small fish; while even the big fish are faring badly. The United States Steel Corporation could make more profit if its capital were invested in bonds, for it has hardly been earning savings bank interest of recent years.

All industries operated on a specification basis plus price competition are in the same boat. If you made up a perfectly good set of specifications for pianos, and some Iowa maker of pianos offered to sell you at a very attractive price a piano meeting these specifications—you would still be very wise to prefer a Steinway, a Mason

and Hamlin or a Chickering, at two or three times the Iowa man's price.

There is also the human situation in regard to use by the public of specifications instead of brands. Purchasing agents for factories may be technicians and easily able to make ready use of specifications, but not householders or the ordinary man. The householder in the course of five years may buy from 20,000 to 80,000 separate kinds of items of goods and merely the details of the specifications would require a very considerable encyclopedia if they were available, which they are not. To use the specifications when buying would be an even more unlikely task. The woman needing a spool of thread and who is 100 per cent sold on the specification plan would find herself in any one of these positions:

(1) She would have to rely on a brand to distinguish the goods of the manufacturer who guarantees his goods to be according to specifications.

to be according to specifications.

(2) She would find that there are no specifications for the particular grade, type or kind of the thread she wants, and would then again have to rely on the reputation and brand name of the manufacturer or the word of the retailer, which is precisely like taking the word of the manufacturer except that the manufacturer is very likely to be the older, the greater and the more responsible concern.

(3) She would find that no dealer in her neighborhood carries the goods of the specification-guaranteeing manufacturer and she is compelled to take

what he has.

(4) She would find that the specifications would be for goods which are either not good enough for her or too good for the use she desires, judged from the point of view of price in relation to her budget, the use she wishes to make of the goods, etc.

she wishes to make of the goods, etc. (5) She would find that, however excellent the specifications as to technical qualities, there are values she is much more interested in—more than technical values—such as style, design,

service, assurance, etc.

The Bureau's Motive

What is the idea that is actuating the Bureau of Standards in this matter, stimulated by Mr. Chase?

A. S. McAllister, chief of the Division of Specifications of the bureau, tells the *United States Daily*: "Many of the specifications to which the certification plan has been, or will be, applied cover commodities of much interest to housekeepers. Although it is not expected that the housekeeper will actually buy commodities on individual specifications, some day she may be induced to confine her purchases of certain kinds of commodities to those known to be manufactured to comply with certain nationally recognized specifications.

"Perhaps she may even now be induced to examine critically such of these commodities as she does purchase to determine whether or not they are as represented and will comply with her own requirements—to purchase on the basis of real quality and ability to meet service requirements rather than on the basis of superficial appearance or of the numerous kinds of sales arguments.

"No serious difficulty would be encountered in compiling material for a series of publications devoted to 'specifications for household commodities.' In fact, considerable material of this nature is now available.

"Most of the existing household commodity specifications have been written in technical language, and probably could not be directly utilized by the housekeeper. In certain cases the specifications could be written in easily understandable language, but it is not self-evident that they would be made use of even in the simplified form.

Circulars for Housewives

"Much valuable information concerning household commodities is given in Bureau of Standards Circular No. 70, 'Materials for the Household,' and a companion circular, No. 55, 'Measurements for the Household.' Neither the size nor the arrangement of the contents of these circulars is such as to render them suitable for consultation by the housekeeper while making a purchase.

"It has been suggested that the housekeeper would welcome the preparation for her use of a series of 'handbag size' pamphlets or folders outlining methods of identifying quality in certain kinds of commodities and giving very simple rough and ready tests which could be applied by her in

the home or store.

"Such a plan as this can be carried out only on a thoroughly cooperative basis.

"If undertaken, the work would be carried out through the cooperative efforts of the several organizations most vitally interested in specifications for household commodities, prominent among them being the American Home Economics Association and the Bureau of Home Economics.

'The outstanding fact in the specification situation at the present time is that a very great majority of the purchasers who should be using specifications are not doing so. It is to this great group of purchasers that the certification plan will prove most beneficial. If, in addition to obtaining copies of as good specifications as can be written at the present time, all purchasers are able to secure lists of firms willing to manufacture to these specifications and to certify to compliance therewith, and lists of testing laboratories, many of these purchasers will readily adopt the specification method of buying. This is especially true of the purchasers for states and municipalities who are anxious to use specifications but have not thus far felt justified in doing so because of the inability to determine whether or not the commodities comply with the specification requirements.'

It will be seen from the above that

however well meant and theoretically sound, the idea of the public buying from specifications is a very nebulous matter and likely to remain so. Life is too short and modern interests and demands too many to spend so much mental energy becoming something of an engineer and technician in order to be able to buy a spool of thread expertly. The short-cut method-buying by brand on reputation—is in any case practically unavoidable and certainly has worked to increase rather than lower the practice of buying better goods. Inside knowledge of the operation of the Bureau of Standards (the all-powerful bureaucratic arbiter of hundreds of thousands of industrial fates if the specification idea is carried to its logical conclusion) would indicate that it is not infallible. government" in industry plus the work of the Federal Trade Commission, Post Office inspectors, etc., plus the pride of craft that is developing more advertised articles of quality, are bringing about an ever-increasing standard of trustworthiness in merchandise. The progress in ten years has been phenomenal.

Brand Is Specification

Let all the specifications possible be made—the quality advertiser will welcome them all, for they will only demonstrate anew his own superiority and the correctness of the public's faith in the purchase-by-brand principle. Purchase by specification is already here: specification of brand, the practical symbol of the quality or lack of quality, as judged by actual experience. We seem sometimes to forget that when a brand is used and advertised, and the goods are poor, it serves just as much to steer people away from it as toward it!

Missouri Pacific Holds \$1,000 Copy Contest

To determine "What constitutes the best advertisement for a modern railroad," L. W. Baldwin, president of the Missouri Pacific Lines, has announced a contest in which his company will give \$1,000 in prizes to persons employed by newspapers and advertising agencies in communities served by that system, comprising the Missouri Pacific, Gulf Coast and International Great Northern, who submit the six best answers.

Prizes will be \$500, \$250 and \$100, and three of \$50. Selection will be made by six vice-presidents of the road. The copy, Mr. Baldwin said, may cover either freight or passenger serv-

ice, or be institutional.

No Credit Stringency in Sight Say Bankers

BY H. C. NORTH

HILE interest rates for all classes of obligations are at present exceptionally high, due to the absorption of excessive credit by the security markets and huge gold exportations, the effect of these high rates upon commerce and industry should cause no immediate alarm. Although money is tight, with no signs of easement, it is unlikely that we shall face a credit stringency, at least in the immediate future.

928

ing ous

ife and uch

of

to exuyiny

er-

her

et-

the

rds

ter

ial

ed

di-

lf-

rk

he

ore

ire

ng

er-

ars

el-

ıly

c's

n-

al-

be

ck

et

r-

es

m

of

1-

n-

d

es

Thus far interest rates on commercial obligations, although above normal, are not exorbitant. In considering the financing of commodities in transit, so important at this time of year, it should be remembered that a difference of one per cent or one and one-half per cent per annum, applied to short average periods, increases the cost of money very slightly. Most business transactions are consummated within thirty days, dividing the increase in the yearly rate to a small percentage indeed.

New Enterprises Curtailed

There is, however, another angle to a continuance of a high rate which should receive careful thought. Business activity depends very largely for its maintenance on a steady volume of new enterprises, especially in such industries as construction, new equipment, etc. It is vital to the buying power of a nation. High rates of interest tend to discourage new enterprises of such character, and the sharp reduction in the volume of new security offerings since June would indicate a material curtailment of them.

Up to the present, new projects, which were planned and financed at earlier dates, are still under way in considerable quantities. But if high rates continue for any length of time, the ultimate curtailment of new activities will be felt by business in general.

It is a little early as yet to predict when business men will begin to be aware of this adverse influence. As a possible offset, we have unusually good crops assured this fall, which may relieve our markets to the extent of the increased export of grains and other commodities. But it is impossible to say at present whether exports will be

The money market has received wide attention this summer and fall, but commentators have been disposed to treat of its effect on speculation with little consideration of its relation to commerce and industry. The following article comes from the highest authority. The facts were furnished by the economist of one of New York's largest banks, who for personal reasons prefers to remain unknown. His explanation of recent financial history and the present outlook will be of great value to executives.

great enough to counteract the probable reduction of new enterprises.

Normally increased demands from trade and industry for the next few months must be met by the banks. But without relief from other sources, these demands could only be met by a still further increased use of reserve credit. This, in turn, would cause interest rates to seek still higher levels. While Federal Reserve policy undoubtedly has aimed at discouragement of speculation, it would appear reasonable to expect it to permit normal trade requirements to be met without forcing rates much higher. But until excessive speculation is considered eliminated from the security situation, it is doubtful that there will be easement in rates.

Increasing Reserves

Reserves, which are the basis of credit, can be increased only in four ways: (1) gold imports; (2) release of currency from circulation; (3) increased Federal Reserve investments; (4) increased member borrowings from the Federal Reserve Banks.

Insomuch as gold withdrawals during the last year have been mainly for the purpose of stabilization of foreign currencies, it is most unlikely that any sizable amount of gold can be repurchased for import. Consequently it cannot be hoped that reserves will be increased in any appreciable degree from this source.

As the movement of crops, the seasonal increase of business and finally

the requirements for the Christmas trade absorb several hundred million dollars in additional currency between August and December of each year, this normal absorption of additional currency will operate to decrease rather than increase reserves until after the holidays.

Federal Reserve Purchases

Federal Reserve bank purchases of securities apparently have ceased, at least until such time as it is convinced that speculative tendencies have been reduced sufficiently to prevent excessive absorption of credit for such purposes. But there is a possibility of purchases of trade bills by the Federal Reserve Banks in accordance with their usual custom at this season. Such purchases, however, are not usually made in large volume and would increase reserves only in very moderate

Member borrowings from Federal Reserve banks would, therefore, be the only other alternative for increasing reserves, and such transactions operate to harden interest rates. Consequently, it is hoped that the purchase of bills by the Federal Reserve banks will be in sufficient amount to supply the reserves necessary for increased fall demands. And it seems wholly reasonable to expect that sufficient purchases of such bills will be made by the Federal Reserve in order not to burden business with the higher rates that increased member borrowings would create.

Trade Commission Explains Its 225-Page Questionnaire

In SENDING out a single questionnaire of 225 pages, the Federal Trade Commission has probably not only broken all records so far as the length of such instruments is concerned, but has also stimulated the adverse criticism of the Government's investigatory processes. It may be noted, however, that the complaints and criticisms have come from sources that are not affiliated with the public utility corporations under investigation, and that the attempts to extract humor from the proposition are based on fallacious assumptions.

Required by Senate

Last Saturday, at the offices of the economic division, it was learned that the questionnaire is the result of an attempt to cover by one schedule everything that is required by Senate Resolution No. 83 passed last February. This resolution directs the commission to inquire into and report to the Senate the growth of the capital assets and liabilities of public utility corporations supplying either electrical energy or gas, doing an interstate or international business; also of corporations holding the stocks of two or more utility corporations operating in different states, and of non-public utility corporations owned or controlled by such holding companies. The commission is also directed to inquire into the methods of issuing securities of all classes of the corporations named, the prices realized, commissions or bonuses paid or received, and other pertinent facts with respect to the various security issues. Besides, the resolution includes the extent to which the holding companies or their stockholders control or are financially interested in financial, engineering, construction and management corporations, and the relation of the classes of corporations named, and all of the various methods and services rendered.

It is now well known that the corporations have expended considerable sums in the securing of free publicity and this phase of the investigation has been widely discussed. The resolution specifically requires the determination of not only the amount of money expended for the purpose of controlling public opinion on account of municipal or public ownership, but also the extent of the influence or control of elections of President, Vice-President and members of the United States Senate.

Officials of the commission called attention to the inclusive scope of the Senate resolution, and explained that their purpose was to include every detail in a single questionnaire, for the convenience and information of the utility corporation officials. It was also said that the investigation is the biggest job of its kind ever undertaken by an organization of the Federal Government, with the exception of the investigation of the railroads.

Comparatively few of the public utility corporations under investigation will be required to answer all of the questions. It is found that several of the largest companies not only engage in supplying gas and electricity, but also conduct businesses of construction, financing, electric railway transportation, the manufacturing of ice, and that they have gone into almost every business which uses gas and electricity. The sub-holding companies own the operating companies, and under a single public utility cor-poration there may be five or more sub-holding companies which are not subject to regulation.

Holding Companies

Therefore, the number of questions that any corporation will be required to answer will depend on the extent of the number of holding companies that it controls and the number of enterprises engaged in by the holding companies. The theory of the commission is that it is necessary to determine all of the facts which will show the growth of capital assets and liabilities of the corporations, as well as the relationships and activities of all the subsidiary companies, in order to present a complete picture of the development of public utilities.

velopment of public utilities.

The interest of Congress is obviously centered on the unregulated activities of the holding companies. Enormous industries have grown up under the control of corporations that enjoy a monopoly. It is possible that this growth is entirely legal and economic; but Congress wants to know the facts for its guidance in legislating against the development, if it is found that the operations of the subsidiaries are detrimental to the public interest.

The final report of the commission's investigation of public utilities is likely to be of considerable value and interest to business men in general. It will not only contain probably the most complete treatise ever published on the

methods and results of free publicity, but it will also present a comprehensive mass of data on every phase of public utility operation, as well as on the distribution of a large number of widely used commodities.

Chain Store Marketing Will Occupy A.N.A. in Annual Meeting

"Modernism" in advertising, in advertising art, copy and display, as well as in distribution, as exemplified by chain outlets, will occupy the attention of the Association of National Advertisers at their eighteenth annual convention in Atlantic City October 29-31.

"A Business Man's Scrutiny of Advertising" is to be made by the president of a company using a large amount of advertising. Other speakers, whose names will be announced in a few Other speakers, whose days, will discuss "What the Government Is Doing for Business"; "Advisability of Advertisers Limiting Their Sales Activity to Profitable Retailers"; "What American Advertisers Should Know About Canadian Advertising," by a representative of the Association of Canadian Advertisers; "Manufacturer-Retailer Cooperative Advertising," outlining experiences of four companies, and "How Advertiser and Agency Can Best Work Together," by a representative of the American Association of Advertising Agencies. The program of the final day will center on "Dealer Service Problems." There will also be outlined an association plan for the purchase of lithography.

Barnes Named President of Electric Railways

John P. Barnes, president of the Louisville Railways, Louisville, Kentucky, was elected president of the American Railway Association at Cleveland this week.

Other officers are Paul Shoup, Pacific Electric Railway, San Francisco; J. H. Hanna, Capital Traction Company, Washington; C. E. Morgan, Brooklyn City Railroad, and G. A. Richardson, Chicago Surface Lines, vice-presidents; and Barron Collier of Barron G. Collier, Inc., New York, treasurer. Lucius S. Storrs remains as managing director, and J. W. Welsh as general secretary of the association, with headquarters in New York.

John Carden, formerly with the J. Horace MacFarland Company, Harrisburg, Pennsylvania, has joined the Porter Corporation, Boston agency.

In the

Offices

licity. ehense of as on er of

idverell as chain of the ers at on in

dversident nt of whose few vern-"Adniting e Redver-Canatative Ad-Coexpe-How

m of **Dealer** also r the

Best tative Ad-

ouisucky, rican this

J. H. pany, oklyn dson, ents; Col-

iging neral nead-

e J. arristhe

acific

urer.

have your salesmen show what you mean, plain as a picture can make it.



250 O K'd Ideas in His Pocket

Descriptive booklet about this new Explaining Machine (63/4" x 4" x 2"; weight 13/4 pounds) will be sent on request.



A Pocket Picture Show

Wherever Your Salesmen Go

Give them the help of lighted pictures to show sales points and get the orders.

Outstanding sales organizations are using this method of consumer selling with a new projector that is a real selling tool of high optical efficiency. It is simple, substantial and remarkably compact. Put the plug in any light socket and it tells your story in bright, clear pictures—lighted still pictures that change.

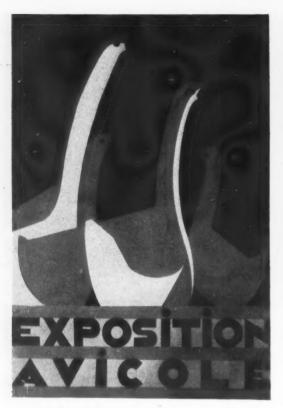
We'll be glad to show you all about it.

Jam Handy Picture Service

Newspapers' Film Corporation

6227 Broadway, Chicago

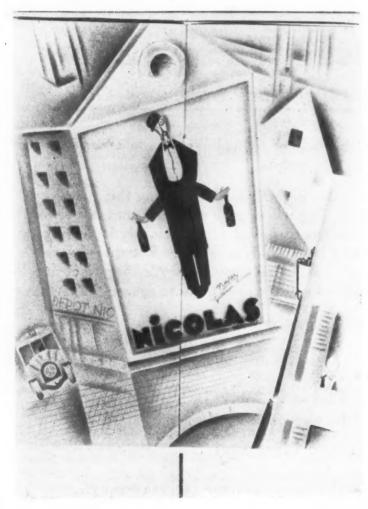
NEW YORK, GRAYBAR BLDG.-DAYTON, REIBOLD BLDG.-DETROIT, GENERAL MOTORS BUILDING REGIONAL SALES AND SERVICE REPRESENTATIVES AT PRINCIPAL POINTS THROUGHOUT THE U. S. STILL AND MOTION PICTURES - PROJECTORS - ANIMATED DRAWINGS - SCREENS - SLIDEFILMS



Poster of a bird show; by Zenobel.



Modernistic typography linked to merchandise, advertising the White Sale of a Paris department store; by Coulon.



Cover design for a catalogue; by Loupot.

The Advertising Gallery





The train that brings the New Year's toys, suggesting children's blocks; by Coulon.



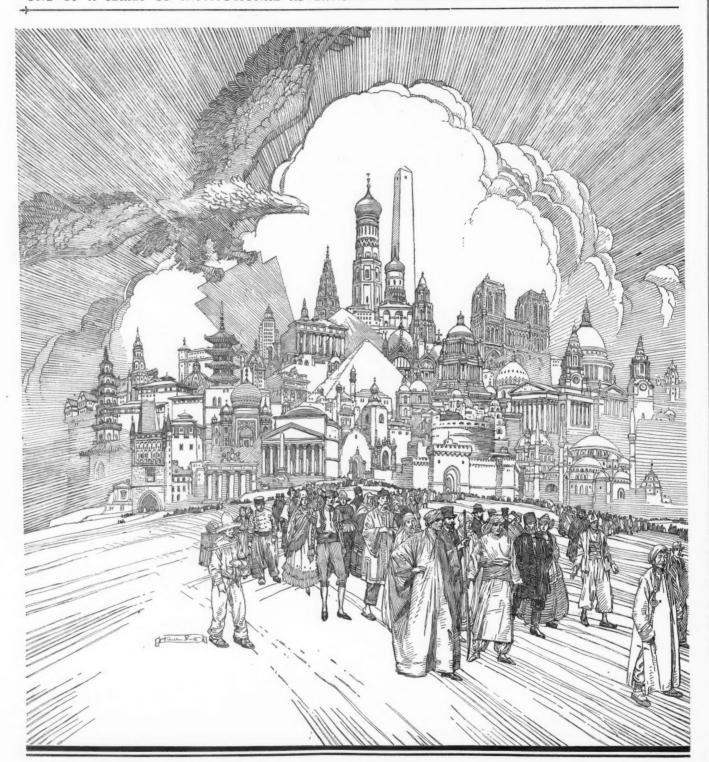
A haberdashery advertisement; by Lvico.

The use of modern art in American advertising has been one of the most outstanding developments in printed selling during the last eighteen months. Since it is from the French poster artists that our own workmen of the modern school receive their chief inspiration, specimens of several Parisian designs are presented on these pages.

The criticism of many American advertisers, that modern art is useless to business because it does not give a true picture of the product, indicates a complete misunderstanding of its aim. Modern art seeks to picture the artist's reaction to an object or situation, his impression of it. In so doing, it creates an atmosphere which expresses the article much more vividly than a photograph could.



Showing the Russian influence on modern posters; by Brodovitch.



These newspapers, read by more than twenty million people, used enough newsprint last year to encircle the globe 120 times

Abany Times-Usion
Rochester Journal
Rochester Sunday American
Syracuse Journal
Syracuse Journal
Attenta Georgian
Attenta Georgian

chicago Herald and Examiner Chicago American Washington, D. C., Herald Washington, D. C., Times Boston American Boston Sunday Advertiser

Boston Sunday Advertiser
Detroit Times
Baltimore News
Baltimore Sunday American
Omaha Bee-News

San Francisco Examiner
San Francisco Call
Oakland Post-Enquire'r
Los Angeles Examiner
Los Angeles Herald
Wisconsin News Gunvashos)
Seattle Post-Intelligencer
San Antonio Light
Pittsburgh Sun-Telegrap

HEARST

The World a City

ACH day the world draws closer together—distances shorten, time shrinks. The Bedouin is our neighbor, Bagdad is at our door. The world has become one great city.

The newspaper has done much to bring this about, and, in doing so, has itself developed from the simple and leisurely affair of a half-century ago into the most complex and highly organized of institutions. It is this condition—this universality of interest—that makes such an organization as the Hearst Newspapers a power in our national life. Not only must the news of all the world be completely and intelligently covered, but the daily newspaper of today must gather and interpret the thoughts and sentiments of a hundred nations.

No less an organization than the Hearst Newspapers can meet so great a demand—and to meet it adequately they have drawn on the genius of the world.

Wherever big things are happening, the

men who know the details most intimately tell them to Hearst readers. Statesmen and rulers write the daily story of shifting politics and policies, great scientists reveal the momentous secrets of the laboratory, champions describe their victories, the foremost authors, soldiers, musicians, actors, dramatists, artists, comment on the latest and best in their particular realms. Whatever the field, the story is covered in Hearst Newspapers by the men best qualified to write it brightly, intelligently, intimately.

This reservoir of genius, on which the Hearst Newspapers continually draw, is one reason for their unique position in American journalism. Combined with the vast machinery of distribution necessary to handle more than 5,000,000 newspapers, it gives the Hearst Newspapers an unparalleled place in America—a position of tremendous responsibility as an index and molder of public opinion and

an influence on national life.

Reystone of the Hearst Newspaper

@ Jean Co., 192

NEWSPAPERS

Lumber Industry Starts to Meet "New Competition"

The nation's lumber industry has begun to meet the "new competition." In two campaigns, conducted by the National Lumber Manufacturers' Association and by the National Retail Lumber Dealers' Association, architects, engineers, builders and home owners, are urged to "Build Now With Safety"—with wood.

The manufacturers' campaign, to begin next week, will appear chiefly in magazines and business papers. The retailers' campaign has just started in

newspapers.

A large part of the manufacturers' campaign will be devoted to the services of their field engineers, who are known as "national lumber consult-

ants."

Double-page color spreads in the October issues of twenty-six lumber trade journals will inaugurate the periodical advertising. This will be followed immediately by page advertisements in Time, Literary Digest, Nation's Business, National Geographic, Saturday Evening Post and in twenty-seven agricultural and thirty-six industrial publications, eleven of which will be devoted to the wood box industry.

In 1926 the National Lumber Manufacturers' Association, a federation of twelve regional lumber manufacturing associations, representing all of the commercially important lumber species in the country, was appointed by some 200 individual lumber manufacturers and associations to have charge of a \$5,000,000 budget covering a five-

year expansion program.

Three divisional headquarters were established at New York, Chicago and San Francisco. Offices have since been opened in ten other cities. National headquarters are in Washington.

Approximately one-third of the campaign fund has been allotted to research and administration; one-third to field work, investigations and service, and one-third to advertising and

publicity.

The lumber dealers' campaign is being built entirely around newspapers as the primary medium. Each advertisement carries the names of the firms taking part and each authorized dealer is displaying the keystone emblem of the association and is issuing to each buyer of a bill of goods a "certificate of safety," which says that the material he bought conforms in quality to accepted standards, and in quantity to the invoice.

quantity to the invoice.
The advertising begins in each city

as rapidly as that city's quota is com-

pleted.

The merchandising part of the program consists primarily of a series of sales helps, including office, yard and truck signs, construction signs, road signs, booklets on the financing of a new home, how to remodel dwellings and farm buildings that are sent to prospects in reply to queries aroused by the advertising—all these tied in with a national advertising program in magazines and farm papers so as to direct its benefits to the local dealer's yard. The cost of the campaign is borne by the cooperative dealers, their subscriptions being based on quotas set in accordance with the volume of their business.

Murray Corporation Sold to Eastern Interests

A group of New York and Chicago capitalists has acquired control of the Murray Corporation of America, Detroit manufacturers of bodies for Chrysler, Dodge, Hupp, Reo and other motor cars.

H. O. Barger has been elected chairman of the board. C. W. Avery, formerly assistant to the president, was elected president, succeeding William Robert Wilson, resigned. A. P. Dowell is vice-president in charge of manufacturing and C. H. Widman, vice-president in charge of sales.

Club Aluminum to Supply Rogers' Silver Plate

Club Aluminum Utensil Company has entered into a contract with International Silver Company of Meriden, Connecticut, to supply its organization with Rogers Bros. 1847 silver plate, which will be sold on a club plan similar to that used in merchandising of its aluminum ware.

William A. Burnette, president, stated this week that a subsidiary sales organization has been perfected to distribute this additional product in large volume.

Jason Rogers has resigned as general manager of the Kansas City Journal-Post. Mr. Rogers was formerly publisher of the New York Globe and of the Advertisers' Weekly, which he founded in 1924 and sold to Federated Business Publications, Inc., last year.

\$4-a-Pound French Candy in American Debut

Verlaine, Inc., of New York and Paris, has introduced in the United States Chocolates Verlaine, which sell at \$4 a pound. In addition the company offers an assortment of imported gift bonbonnieres retailing up to \$300 apiece.

The first of a series of Salons Verlaines which will be opened throughout the country made its debut recently before New York

ociety.

Initial advertising is confined to New York. With national distribution soon, however, a national advertising campaign will probably begin in January.

Maytag Company Begins Export Development

The Maytag Company has entered the export field in sending a representative to Germany, where preliminary surveys indicate that a large potential market exists for the washing machine. A quantity of machines has been shipped for initial display and demonstration and arrangements have been made to secure the cooperation of important electric interests in Germany in the marketing of the machine. With Germany as a starting-point, sell-

ing activity will be extended to other countries in Europe. Later, the company will give its attention to Australia, where, it is believed, a wide potential market exists.

Lord & Thomas and Logan Appoints A. W. Sherer

Albert W. Sherer, for the past four years Western manager of the Curtis Publishing Company, has been elected executive vice-president and a director of Lord & Thomas and Logan. He will become co-manager with Ralph W. Solitt of the Chicago office. Mr. Sherer has been with Curtis for thirteen years.

Conklin Pen Company Promotes C. B. Mathes

C. B. Mathes, formerly sales manager of the Conklin Pen Manufacturing Company, Toledo, Ohio, has been appointed vice-president and general manager, to succeed the late C. C. Cobb.

Thomas Emerson, manager of the San Francisco office, will succeed Mr. Mathes as sales manager.

rk he erid. ers ift to ns ed its

O

1-

the

nary ntial nine. been non-

oeen

im-

nany

sellther

om-

Aus-

vide

1

our

rtis

ctor

He lph for

ger

ing ap-

eral C.

San Mr. **SEPTEMBER 29, 1928**

.1:



THE BOONE MAN KNOWS THE RETAILER

THE BOONE MAN is continually in touch with the Retailer. He knows what type of customer deals with the local merchant and the neighborhood served by the store.

He knows the Retailer's stock turnover and buying habits.

He knows what newspapers the Retailer is using and has used, over a period of years, to make every advertising dollar bring back a dollar plus profit.

If you, who advertise to the Retailer, are faced with a knotty problem that is difficult to straighten out—the BOONE MAN can help you.

He'll be glad to give you the benefit of his experience of markets, circulations, merchandising and the numerous campaigns he has helped engineer to success.

He is engaged in selling six fast-growing newspapers in six major markets, but he'll forget that and talk your problems.

New York Evening Journal
Washington Times
Wisconsin News

Chicago Evening American Albany Times-Union Baltimore News

Six of the 28 Hearst Newspapers Read by More Than 20,000,000 People

RODNEY E. BOONE, General Manager, National Advertising
9 East 40th Street - New York City

CHICAGO Hearst Bldg. DETROIT
Book Tower Bldg.

BOSTON
5 Winthrop Square

ROCHESTER, N. Y. Temple Bldg. SAN FRANCISCO 5 Third Street

Barton, Durstine & Osborn and Batten Company Merge

George Batten Company, Inc., and Barton, Durstine & Osborn, Inc., advertising agencies, have been merged as Batten, Barton, Durstine & Osborn, Inc.

Bruce Barton, president of Barton, Durstine & Osborn, becomes chairman of the board, and William H. Johns, president of George Batten Company, president of the consolidated agency. Roy S. Durstine is vice-president and general manager.

Branch offices will be maintained at Chicago, Buffalo and Boston.

Other officers of the new organization will be; vice-presidents, F. R. Feland, Charles J. Babcock, N. W. Emerson, and S. H. Busser of the George Batten Company; Alex F. Osborn, Paul M. Hollister, C. L. Davis, F. G. Hubbard and A. D. Chiquoine, Jr., of Barton, Durstine & Osborn; secretary, Frank M. Lawrence of the Batten Company; Chester E. Haring, assistant secretary; R. J. Hayward, treasurer; and T. Arnold Rau, assistant treasurer. Since the formation of Barton, Durstine & Osborn in 1919, the companies have been outstanding competitors in the advertising business. George Batten Company was founded in 1892. Their business at present is identical in size. The consolidated company will have a personnel of about 600 and will service about 125 accounts. For several years they have maintained headquarters in the same building at



Bruce Barton



William H. Johns

383 Madison Avenue, New York City. Mr. Barton has written widely on advertising relations and other subjects. He is the son of Dr. William E. Barton, clergyman and biographer of Lincoln.

Mr. Johns is a director of several corporations, including the Brooklyn Manhattan Transit Corporation.

Mr. Durstine, a veteran newspaper man, has written several books on advertising. He was director of publicity for Theodore Roosevelt in his campaign for the presidency in 1912. Both Mr. Johns and Mr. Durstine have been presidents of the American Association of Advertising Agencies.

Northwest Prune Growers Urge Home Canning

To stimulate more home canning, the Prune Shippers' & Growers' Clearing House of the Northwest, Seattle, is starting an advertising campaign in newspapers in the larger cities of the country. About 25,000 will be spent this fall and will be based on an assessment of \$10 a car. In connection with other associations promoting canning of fruits in the Northwest, the slogan will emphasize that "After All There Is Nothing Better than Home-Canned Fruit."

The Izzard Company, Seattle, is directing.

McGraw-Hill Company Gets Textile World in Consolidation

Bragdon, Lord & Nagle Company, New York, publishers of Textile World and of directories and other publications in the textile field, was merged this week with the McGraw-Hill Publishing Company—operating as a separate division of the McGraw-Hill Company. Its management will continue in the hands of its former executives, with Henry G. Lord as president; Frank L. Nagle, chairman of the board; Joseph H. Bragdon, vice-president and general manager, and H. O. Barnes, secretary. Mr. Lord and Mr. Bragdon become members of the board of directors of Mc-Graw-Hill and Mr. Bragdon joins its executive committee. The McGraw-Hill organization now publishes twenty-three business, industrial and engineering papers.

Cluett, Peabody Starts Stiff Collar Campaign

The "Golden Arrow"—a lightweight starched collar, designed especially for business wear—was introduced this week by Cluett, Peabody & Company in half-page space in the New York Times, Daily News and Herald Tribune. The campaign will probably be extended on a national scale later—depending to some extent on its New York reception.

Batten, Barton, Durstine & Osborn, New York, is directing.

Modernism Is Keynote in New Kayser Copy

Newspapers in 130 cities are being used by Julius Kayser Company in their Fall campaign, which started this week

Modernism in Kayser hosiery, gloves and underthings will be emphasized in both art and copy, said Miss Grace Walton, advertising manager. Insertions will be run weekly for seven weeks—three-column advertisements appearing in the larger cities, and two-column elsewhere.

To formulate "some simple, workable, standard rulings intended to complete the work recently begun voluntarily by publishers to eliminate advertisements of a false and misleading nature," W. E. Humphrey, chairman of the Federal Trade Commission, has called a conference of publishers at the Waldorf-Astoria Hotel, New York City, October 9.

pany, xtile other was rawating rawwill rmer das man don, iger,

Mr. em-Mcsits

rawshes and

ght

for

this any

ork

ribbe

de-

ew

rn,

ng

in his

res

in ice eren nts

0-

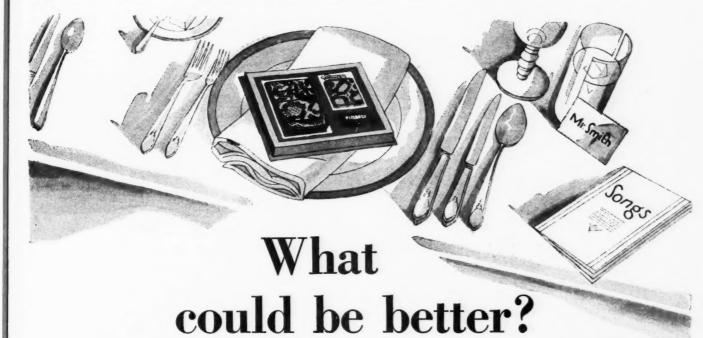
le,

te

V.

n-

SEPTEMBER 29, 1928





Engine Turned Platinum Finish, \$6.50 Gold Finish, \$7.50



Snake, 85.00

Prizes for salesmen? Souvenirs for the banquet and convention? A seasonal gift to the key men in your big customer's organizations?

What else could you give that would fit so perfectly? Firefly Smokers' Sets and Firefly Lighters are inexpensive enough to make the giver's motive unquestioned. They are useful and long-lived so that they become permanent reminders of the kindly thought back of the giving or worthy rewards for work well done.

We invite you to write for full information regarding quantity discounts and for illustrated circulars showing the many attractive designs in metal, leather and specialty finishes.

CLARK LIGHTER CO., Inc.

580 Fifth Avenue

New York



LIGHTERS & SMOKING SETS MADE BY CLARK







Platinum Finish, \$4.50 Gold Finish, \$5.00



Signet, \$6.50



ANNOUNCING

the organization of

Batten, Barton, Durstine & Osborn, Inc.

combining

George Batten Company, Inc.

and

Barton, Durstine & Osborn, Inc.

EFFECTIVE SEPTEMBER 15, 1928

THIS consolidation brings into one enlarged agency two groups of people holding the same standards of agency ethics and efficiency.

It produces a strong unified company to meet the rapidly expanding and constantly changing developments in advertising and in industry.

The same standards and policies which have characterized George Batten Company, Inc., and Barton, Durstine & Osborn, Inc., will govern the activities of the new corporation in its relation with clients, publishers and competitors.

The clients of the agency will continue to be served by the executives who have been associated with them in their advertising through the former organizations. 1928

OFFICERS

ROY S. DURSTINE BRUCE BARTON WILLIAM H. JOHNS Chairman of Board President Vice Pres. and Gen. Mgr. N. W. EMERSON Vice President F. R. FELAND . . . Vice President Vice President ALEX F. OSBORN . . . Vice President C. L. DAVIS CHAS. J. BABCOCK . . Vice President S. H. BUSSER Vice President F. G. HUBBARD Vice President PAUL M. HOLLISTER . Vice President A. D. CHIOUOINE, IR. . Vice President F. M. LAWRENCE Secretary R. J. HAYWARD Treasurer T. ARNOLD RAU . . . Ass't Treasurer CHESTER E. HARING . Ass't Secretary

DIRECTORS

CHARLES J. BABCOCK

N. W. EMERSON

BRUCE BARTON

F. R. FELAND

ALEX F. OSBORN

ROY S. DURSTINE

GEORGE F. GOUGE

W. RUSSELL OSBORN

R. J. HAYWARD

BATTEN, BARTON, DURSTINE & OSBORN Corporation

of ILLINOIS

BRUCE BARTON
Chairman of Board

R. L. HURST President

WILLIAM H. JOHNS
Vice President

ROY S. DURSTINE
Vice President

CHARLES D. MITCHELL
Vice President

F. R. FELAND Secretary

R. J. HAYWARD

Treasurer

OFFICES: New York, 383 Madison Avenue

CHICAGO, McCORMICK BUILDING

Buffalo, 220 Delaware Avenue

BOSTON, 10 STATE STREET and 30 NEWBURY STREET

McKesson & Robbins to Market Every Product in Drug Line

A mutualization plan by which Mc-Kesson & Robbins, Inc., which recently merged with fifteen leading drug wholesalers throughout the country, would be distributors for every drug product, will be announced November 1, it was learned this week. Ultimately the present group of companies is expected to be increased to fifty, covering every important trading territory in the country and having a capitalization of between \$250,000,-000 and \$300,000,000. At present the selling power of the group is rated at \$100,000,000, with good will carried at \$1 on the new company's balance sheet.

Under the plan to be announced wholesalers who are parties to the consolidation will assume the position of distributing stations for every national manufacturer of drug products at the disposal of every independent and individual retailer in the

For the first time in the history of jobbing in the United States retailers will have a voice in the management and conduct of the supply depots from which they derive their supplies. Completion of the consolidation in practice and in fact will bring about a mutualization of national manufacturers and individual retailers, with the latter fully represented on the board of directors of the house with which they do business as well as on the retailers' advisory committee, which will direct the policy of meeting competition.

The mutualization plan, which is expected to be in operation by January 1, provides that retailers are neither required to make capital investment unless they wish to do so nor to make deposits with the corporation in order to secure their requirements at the lowest possible cost. Without being forced to pay for goods in advance they will have the advantage of collective advertising, collective window and counter display and cooperation in coping with chain-store advertising and merchandising pro-

The plan will place every retailer in a position to sell merchandise on the same terms and under the same conditions as those established by chainstore systems and department stores, and is actually intended to permit the independent merchants to compete on even terms with the chains.

The consumer will therefore find in the neighborhood drug store at the same price merchandise advertised extensively by the chain and department From the public standpoint stores. the advantage is apparent when it is considered that there are 54,000 individual and independent retailers in the country, who distribute 85 per cent of all drug products consumed.

Leading national manufacturers are reported to be cooperating with the new organization in perfecting plans whereby depots of the new system will be used as clearing houses to furnish retailers' requirements at the lowest possible cost.



Charles H. Wetterau, vice-president of the American National Bank of Nashville, who was elected to the presidency of the Financial Advertisers' Association at the convention in Utica, New York.

E. J. Mehren Will Edit Magazine of Business

Edward J. Mehren, vice-president and editorial director of the McGraw-Hill Publishing Company, has been appointed editor of the Magazine of Business, which recently came under McGraw-Hill control through its consolidation with A. W. Shaw Company of Chicago. A. W. Shaw, editor and publisher of the Magazine of Business, formerly System, for the past twenty-five years, has resigned. Mr. Mehren has been with McGraw-

Hill for twenty-one years-five of them as vice-president and editorial director.

Milnesia Tablets Develop 12,000 Drug Outlets; Start Campaign

Twelve thousand retail drug outlets have been developed in the past two years for Milnesia Wafers, milk of magnesia in tablet form, which is now being advertised nationally for the first time, Harry E. Hergelroth, advertising manager, announced this

The product is sold by Milnesia Laboratories, Inc., through drug jobbers. It consists of milk of magnesia

flavored with wintergreen.

Quarter-page space has been taken in rotogravure sections of twenty cities and in the American Weekly in the introductory campaign just launched through Winston & Sullivan, Inc., New York. Beginning in January, full-page space will be taken monthly in the Pictorial Review, Woman's Home Companion, Liberty and Good Housekeeping. At that time it is ex-pected that the newspaper schedule will be expanded. Medical journals and color spreads in Drug Topics are also employed.

101 Stations Broadcast **Auction Bridge Games**

One hundred and one radio stations will be used weekly beginning November 15 for Auction Bridge Magazine and the United States Playing Card Company to broadcast auction bridge games in which Milton C. Work and Wilbur C. Whitehead, bridge champions and editors of the magazine, will participate.

This is said to be the largest number of radio stations yet employed for

commercial purposes.

Executives of the playing card company and of the magazine feel that the radio campaign which they have been conducting for several years has been an important factor in the increase of the sale of playing cards. Last year, according to government figures, 47,900,000 packs of cards were sold in spite of the fact that tax on playing cards is ten cents a pack. Last year sixty-five stations were used in the hook-up.

Montgomery Ward & Company October 2 will start its "Farm and Home Hour" to be broadcast at noon daily except Saturdays and Sundays over stations of the National Broadcasting Company, between the Alleghenies and the Rocky Mountains, and from the Canadian border to the Gulf of Mexico. The program will be designed to appeal primarily to farmers. **SEPTEMBER 29, 1928**

the two k of now the adthis

nesia jobnesia n in

the ched Inc., nary, athly can's Good ex-dule

nals

ions Noigaring

C. ead, the ber for

hat ave has inds. ent rds tax ck.

sed

Ocme ily ver ng ies om of ilers.



MARTIN ULLMAN,
250 Park Avenue, New York
Enclosed is check for \$10 for which please send your Twenty Martin Ullman Letter-Layouts.

Name
Firm
Street
City
STATE.

How a Questionnaire Sorts Four Types of Prospects

(Continued from page 701)

based upon our system of securing a definite classification of prospects. This has been worked out only after deep study over a period of many years' experiment.

There are many classes of prospects with which we have to deal each year. We have inquiries from men in virtually all walks of life-clergymen, bankers, chamber of commerce secretaries, plumbers, bakers, engineers, writers, editors, mechanics and a great many others. The largest percentage, to be sure, comes from farmers, poultrymen and others engaged along similar lines.

Starting a Business

We find it necessary to interest a prospect in starting in business and investing anywhere from \$250 to many thousands of dollars. This represents only the cost of his equipment. He must also have a large investment in the installation of the equipment, or foundation of his business, and for his initial operation.

It is perhaps because of this that we have found a profitable proportion of our sales result from inquiries more than two years old, and that is why we maintain an "old inquiry" list of

years' standing.

As a result, a somewhat personal and distinctive approach is required in order to determine the extent of each prospect's value as a possible customer for us during each year. Therefore, we classify our prospects as follows:

Old inquiries: those received during the past two years plus inquiries prior to that time from prospects who have indicated by the return card or letter in those two years that they are still interested.

New inquiries: people who reply to our present year's advertising.

Users: people who are operating hatcheries equipped with our incu-

Hatcheries: people who are on our list as hatchery operators but who do not operate with our equipment.

As will be seen, all prospects fall into these classes so far as their interest in the baby chick business is concerned, and must be handled according to their classification if we are to realize their value for present

To determine the classification of a

prospect—whether he is good, fair or poor—we endeavor by our direct mail campaigns to secure questionnaires or postal cards from him which cannot help but indicate the classification in which he should be placed.

In our work of classifying prospects we rely upon several forms of mailings. Just as soon as an inquiry is received a stencil is made out containing the inquirer's name and address, and a key to signify any vital information he may impart. This stencil is used for two purposes-first, for the sending of direct mail to the prospect, and second, for the notification of the salesman from whose territory the inquiry comes. It also is used to give us a report on prospects at the end of each year to tell whether our efforts have been profitable or not.

Our first step in forming mail contact is to send out a sales letter and a piece of literature which is accompanied by a return card and questionnaire. The purpose of this is to determine, if possible, whether he is interested in our equipment.

In this letter we emphasize the attractiveness of our catalogs, as well as our desire to be of every service in helping him to become successful in the hatchery business.

Catalog Follows

Next we send a catalog of the type of incubators in which he is interested. This is accompanied by a sales letter, filled in from the stencil, and a questionnaire soliciting further information which will also prove of value in helping us to classify him.

At the same time we stencil the prospect's name and address at the top and bottom of a perforated 81/2 x 11 blank, which is sent to the salesman. The salesman knows from this blank the type of catalog which has been sent, and when he calls on the prospect he simply fills in a report of his call on the lower half of the sheet and sends it to us as his record. On the top part he makes his own notations when it would be advisable for him to call again and other vital information. This he keeps in his own files.

From the start we endeavor to personalize our contact with our prospects. At the time of sending our salesman the report blanks giving the prospect's name and address, we furnish him with an especially prepared form letter on his own letterhead. This letter is post-dated and filled in with the stencil of the prospect's name and address, or, in other words, is prepared for the salesman to simply sign and mail to the prospect from his headquarters. The form letter serves as a pleasant introduction of the salesman to his prospect. Accompanying the letter is a return card, which, when returned by prospects, further serves to help the salesman classify them and furnishes information about the time the prospects will be in the actual market.

As another step towards personalizing our contact with our prospects as soon as possible, our sales correspondence department makes every effort to get them to reply to return cards and questionnaires so that we can begin to write personal letters to them.

Country Is Zoned

We have the entire country divided into five zones. In charge of each zone's correspondence is a trained correspondent. Each correspondent is responsible to a chief correspondent.

By having one correspondent in charge of each zone the salesman whose territories are in that zone knows to whom to write each time concerning prospects. Salesmen and correspondents learn to know each other as a result of their correspondence and are able to cooperate effectively.

The proof that follow-up work pays is found in our average of 15 per cent of inquiries a year on our "old inquiry" list, and we have had as high as 25 per cent. As stated before, we use three follow-ups on our old inquiry list at the beginning of each year. On our recent lists we use more, and when an inquiry is new we use as many as we feel is warranted. Each of our follow-ups contains an order blank, questionnaire and a return

Results prove the value of our follow-up work. We get as high as 10 per cent direct from our direct mail continued over a period of years. To illustrate this, take our business over the periods of 1927 and 1928, during which we found that 47.4 per cent of our sales were made to current prospects; 37 per cent to inquiries one year old; 9.3 per cent to inquiries two years old, and 6.2 per cent to inquiries three years old and older.

On an \$1,800,000 mammoth incubator business a year, any one of the old inquiry percentage is impressive. Further interesting figures show that 33.6 per cent of our users who bought year before last bought again last year;

d in name pre-

sign his erves alesying

when erves and time ctual

alizts as ondrt to and

egin

rided each ined nt is dent. t in

sman zone time and each ondeffec-

pays cent l inhigh , we ineach nore, use Each order eturn

fols 10 mail To over iring cent rrent one two iiries

incuf the ssive. that ught year; 35.6 bought two years ago and bought again last year, and 37.7 per cent of those who bought three years ago bought again last year.

We consider our users' list to be most valuable; 414 of our old users of mammoth incubators bought new incubators last year, as against 563 customers who bought for the first time. In other words, our users make up about 50 per cent of our mammoth incubator business each year, as has been proven by a very consistent average over a period of several years.

It has been demonstrated time and again that our salesmen benefit by our direct mail work. Perhaps the greatest proof is the fact that the sales cost of our sixty salsmen is only 11 per cent. As our direct mail helps to classify our 60,000 prospects a year, our salesmen are enabled to judge within a very reasonable time just which prospects are near the closing point, and those who will require more effort on our part by mail to bring them closer to the closing point.

3,083 Heatrola Dealers Listed in Five-Page Post Advertisement

To emphasize the active participation of all of the 3,083 dealers of the Estate Stove Company, Hamilton, Ohio, in Heatrola How-and-Why Week, September 7 to October 6, a five-page advertisement—three pages of which are devoted to listing Heatrola dealers—was run in today's issue of the Saturday Evening Post.

'This is your chance to learn all the 'Hows' and 'Whys' of home-heating,' the Estate Company explains. "Estate Heatrola dealers are cooperating with us in staging a nation-wide demonstration.

"Very likely there is an Estate Heatrola dealer near you-you will find his name among those listed in the following pages. Look him up—look at the special 'How and Why' display in his show window. . . . "

On the second page of the advertisement are asked eighteen questions which the Heatrola dealer is prepared

Dealers are listed by states, seven columns to the page. In the center of each page there appears a small threecolumn box, mentioning one of the features of Heatrola.

PAUL HARTLEY, formerly account executive of the George Batten Company, has joined the staff of Percival K. Frowert Company, Inc., New York, in a similar capacity.

DIRECT MAIL ADVERTISING

for

Technical Advertisers

planned and executed by specialists

19 WEST 44 NEW YORK

A-ACCURACY OF LISTS

How accurate should they be? Should prospects ever be subdivided? How? Why?

> There are over 30 important questions having to do with Technical Advertising. If you are interested in seeing them-and who wouldn't be?-write for folder "Q."

Published monthly, supplemented with bulletins and covers daily newspapers, farm papers, general magazines and business papers.

To select the proper advertising mediums, you need

STANDARD RATE & DATA SERVICE

TT GIVES up-tothe-minute information on rates, discounts, color and cover charges, special positions, classified advertising and reading notices, closing dates, page and column sizes - and circulations on publications in the United States and Canada.

-- USE THIS COUPON! --

Special 30-Day Approval

Order

....., 192.... Standard Rate & Data Service, 536 Lake Shore Drive, Chicago, Illinois.

Chicago, Illinois.
You may send us-prepaid—the current number of Standard Rate & Data Service, together with all bulletins since it was issued, which we are to have the privilege of using 30 days. If we are not convinced of the value of this Service at the end of that time, we shall return the issue and our obligation is ended. Otherwise, you may consider us subscribers and send a revised copy each month for one year. The service is to be maintained by bulletins issued every other day.

Firm Name	0.0
Street Address	
City	0 0
State	
Individual Signing Order	
Oficial Position	

What's Behind the Colgate Palmolive Peet Merger?

(Continued from page 693)

and those in drug and grocery jobbing houses have been still more searching and intense. Realizing the far-flung interest in the purposes and plans of this peculiar merger, I asked President Charles S. Pearce for an interview, warning him that my questions would be leading ones. He immediately assented and anticipated the first one

on my list by saying:

"It is well to remember that the merger of these four companies did not take place at one time. The present consolidation is an evolution. The merger with Peet Brothers Company took place a year and a half ago. The experience gained by it was so satisfactory to both interests that it was clearly apparent that there was much to be gained by a further extension of the merger principle to cover a country-wide organization, making and selling, in an economical manner, all products incidental to the soap in-

Four Plant Locations

"To achieve this end, it was necessary to have the proper distribution of plants which, in the soap industry, involved primarily four locations—the Pacific Coast, Atlantic Coast, Kansas City or St. Louis, and an Ohio pointall of which are provided in this last

"The fact that a great deal of raw material for soap products is brought from foreign countries makes it very evident that it is an advantage to the manufacturer to make as much of his products near the seaboard as he can distribute near the seaboard, otherwise he pays freight on the raw materials shipped to an inland point and on the finished product going back to the consuming point.

'The major justification for any large consolidation must be in resulting economies in production and dis-Larger sales is another tribution. objective often attained by reason of successful consolidations. illustrate what economies were almost self-evident from this merger by referring to the laundry soap end of the business—a very important part of it!

"The Palmolive Company was not, originally, in the laundry soap business to any considerable extent, but the merger with Peet Brothers Company brought in a large laundry soap business, particularly west of the Missis-

sippi River. Colgate & Company's laundry soap business was located in the East and the South, so that the combination gives a strong laundry soap distribution all over the United States. The main plants at which we will manufacture laundry products and toilet soaps are located at Berkeley, California; Kansas City, Missouri; Milwaukee, Wisconsin; Jeffersonville, Ohio, and Jersey City, New Jersey. This gives us almost a perfect distribution of manufacturing facilities admirably adapted to purposes of freightsaving and general economy in both production and distribution.

There was originally very little conflict between the brands of these companies with respect to the heaviest items of their production. In other words, each company had its own particular territory in which its product commanded the major part of the trade or, at least, was the high favorite with the consumers. For example, in laundry soaps, Colgate's Octagon occupied the eastern and southern fields and Peet Brothers' Crystal White was the high favorite in the West. Thus there was little overlapping, little actual competition between the laundry products made by the merger companies.

But with respect to toilet soaps and toilet preparations there was a greater element of competition, because the Palmolive brands and those of the Colgate and Pompeian companies all sought a national distribution. But each had certain territories in which it was an especial favorite. So, in the main, the competitive conflict between the products of these companies was less than might be supposed by the general public."

Competitive Brands

Here Mr. Pearce was interruped with a question as to whether these presumably competitive brands will be pushed with the same vigor as before the consolidation. His answer was prompt and emphatic:

"No; with greater vigor!—for, as I have already explained, most of them are not more than superficially competitive owing to the fact that each has made its own place and preempted cerain territory for itself. However, let it be clearly understood that this is a real merger and that all these companies are now one and will be operated under one management."

any's d in

1928

the ndry ited we and elev. uri; ille, sey.

lmightooth ittle nese iest ther par-

ibu-

luct ade vith unied and the ere

ual odies. ind iter the the

all But 1 it the een vas the

be re ras as em

nch ed er. is n-

ed ese

"Will that apply," I asked, "as fully to your sales organization as to your manufacturing department?"

"Yes," he answered, "one organization all the way through! There will be one general sales manager in charge of sales for the entire line of products for the entire country. Under him there are sales managers for different products or groups of products. There are six divisional sales managers, who are field men, and who have charge of selling all products. The district sales managers working in various territories under the divisional sales managers, however, are divided into two heads: district sales managers in charge of sales to grocery trade, and district sales managers in charge of sales to drug trade.

"It is understood that both classes of district managers are responsible to one of the six divisional managers. The divisional sales managers are directly responsible to the general sales manager. The sales managers for various products or groups of products are responsible to and operate through the general sales manager.

Sound consolidation always implies eliminations because its fundamental purpose is economy in both manufacture and distribution. The merger engineered by Charles S. Pearce is no exception to this rule. He tells me:

Saving on Sales Expense

"We anticipate that there will be a considerable saving in sales expense through consolidation of sales overhead, sales offices and their executives, and through a reduction in the number of salesmen by the elimination of the weaker men in each organization. A few branches will be discontinued, and certain moves will be made to bring the offices of the company into more important cities in various parts of the country.

"In the executive end of the business we look for large savings in the reduction of overhead. This will be effected by combining the various departments in the three separate units which have been performing the same functions, placing the combined department under one head. This, in many cases, will probably mean a larger department than any one of the three, but a considerable reduction over the sum total of the three. It also gives an opportunity to select the most able of executives as we have a much larger field from which to choose."

The executive offices of the company will be at Chicago, Illinois, where the company is now erecting a thirtyseven-story office building on the cor-

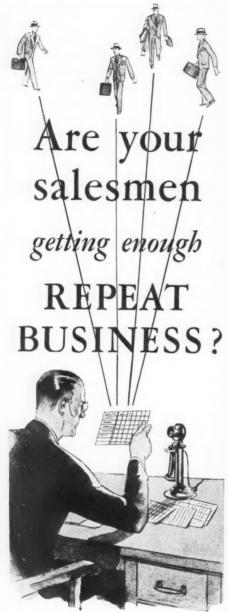


Address All Inquiries to

J. C. MANGHAM, Industrial Commissioner

Southern Pacific Lines

HOUSTON, TEXAS



ARE they making enough calls per day? Cultivating the right customers and prospects? Covering their territories thoroughly enough?

"Y and E" Sales-records will help you keep tabs on every man. We have ready-made record cards for most businesses. Special forms designed if needed. Phone the "Y and E" store—or write us.

YAWMANAND FRBE MFG. (O.

953 JAY STREET, ROCHESTER, N. Y. In Canada: The Office Specialty Mfg. Co., Ltd., Newmarket, Ont.



ner of Michigan Avenue and Walton Place which will house the offices. This will be called the "Palmolive Building," and it is expected to be completed in April of next year. It will have 296,000 square feet of floor space and will be one of the most conspicuous and beautiful buildings in Chicago.

Reverting to the subject of economies expected to be realized as a result of the merger, President Pearce remarked:

"Only our leading products will be manufactured at all points. It does not pay to make items which do not have a large volume sale in too many places. Economy in manufacturing results from mass production. Where there is not large production, it is better to group all the odds and ends together in one place where there is a special organization to take care of them. For various reasons, all of our manufacturing of toilet articles will be concentrated at Jersey City.

Toiletries at Jersey City

"This is largely because much of the material used in the manufacture of toiletries is in the East or comes in from foreign countries. It is much cheaper to manufacture that kind of merchandise near the source of the bulk of the raw material than it is to scatter it. Also, it effects an economy in the machinery, as most of the equipment can be used to almost 100 per cent efficiency if the production is concentrated at one point. By manufac-turing all our toilet articles at Jersey City, we expect to be able to afford to employ only the highest-grade executives, perfumers, chemists and technical specialists in that particular line.

"The present list of articles produced by the combined companies probably comprises five hundred or more separate items—some of these items, however, are merely different packages or sizes of the same product. In time this number will be materially reduced and simplified to conform more closely with actual consumer demand. This task well done should result in substantial economies."

In his administration of the Palmolive Company, Mr. Pearce has long given proof that he is a keen expansionist given to an alert and active policy of preparedness. He has never, apparently, allowed the affairs of the moment to divert him from a consistent and an intensive preparation for the problems of the future—particularly those involving trade expansion possibilities. And he has always been keenly interested in the work of the scientists and technicians of his

organization. Consequently, I was not surprised to see a quickening of interest betrayed in his face and voice when I asked him what plans he had for this feature of his organization under the new merger.

"We hope," he quickly answered, "to make our development department an outstanding unit not only in our own organization but in the general field of our kind of merchandise. It is too early now to discuss in detail plans for this department, but I can say this: It is my conviction that the development department of any manufacturing enterprise should be as completely divorced as possible from routine operation, from current production. Such a department, as I see it, should work with its eyes on the goal of the future and should be largely concerned with creative prob-

"Its work is not only most important but intensely interesting. first step is to effect a thorough separation of development activities from those of operation and production. It is expected that when the development department is worked out according to the new plans it will be rather large, fully equipped with every kind of apparatus calculated to contribute to its efficiency and manned with the best chemical and technical talent obtainable. I confess to having a strong personal interest in this department and its work. The job of developing new products to meet progressive demands, of improving existing products in their quality and their commercial acceptability and of working out manufacturing methods calculated to cut the costs of production is an intriguing task as well as a very constructive one."

Foreign Trade

An outstanding and distinctive policy of the Palmolive Company, both before and since its acquisition of the Peet Brothers' interests, has been its method of building up a Almost every large foreign trade. foreign country has maintained a high tariff wall to shut out importations of products in the field of soaps and These duties preparations. range from 25 to 100 per cent-too heavy a handicap on American goods, observed Mr. Pearce, to permit the development of a successful foreign trade for the output of his factories. Therefore, early in his administration of the Palmolive Company, he began the establishment of manufacturing plants in various foreign countries.

While this policy was also followed, to a limited extent, by the companies now represented in the merger,

r the ered, partly in gendise. etail can the anucom-

rom prosee the be robpor-The seprom

be very conned ical ring deof

orokistneir rkcalion егу

ive ny, ion has a ery igh of nd ies

the gn es. on an ng

ol-

m-

er,

00

s not nterwhen this

It lopac-

ds,

the Palmolive Company was far in the lead in this line of trade extension. Establishing a plant in France for the manufacture of soaps and toilet preparations was much like carrying coal to Newcastle-but Mr. Pearce had the courage for this adventure at comparatively an early period in his administration and has had the satisfaction of seeing it crowned with

SEPTEMBER 29, 1928

Today his company is carrying on manufacturing operations in Canada, Mexico, Cuba, Brazil, Argentina, Australia, England, France, Germany, Belgium, Italy, Denmark and Sweden. In Canada each of the merged companies had comparatively large plants and in Mexico the Colgate and the Palmolive interests each had plants. In these countries the plants will be merged into one or under one management. Asked if the new consolidated organization planned to establish new plants in any foreign countries in which they are not now

operating, he replied: "We have nothing definite in mind now about establishing more foreign plants, as we have a very big job on hand in the merging of present organizations. Our general policy, however, will be to start operations in thosè countries where we consider it advantageous to do so."

Merger Motive

Reading between the lines of this crisp and restrained statement of the foreign trade situation of the companies represented in this interesting merger, it is not difficult to see a major motive on the part of the owners of the interests which "joined up" with the Palmolive Company for accepting its overtures to effect a consolidation. Palmolive had manufacturing plants in the most important foreign countries, doing a successful business in them without the heavy and virtually prohibitive handicap of a rigorous import duty, while the three companies which joined its standard were without the advantage of foreign plants, with the exception of a few countries. Their goods going to other countries had to pay the heavy duty and then compete with resident manufacturers.

From all these considerations it is apparent that the foreign trade of this consolidation is destined to play an important part in its economies, its profits and its growth. The combined sales of the merged companies now amount to more than a hundred million dollars a year, their tangible assets to more than fifty million dollars and their "net quick assets are in excess of thirty million dollars," according to the financial statement recently made.



Endow your catalog with all the strength you can provide for it. Mail it in such a manner that it stands out from the rest of the day's mail like the super salesman you want it to be.

Mail it in a Du-Plex Envelope, with the best selling letter you can write for it.

"Both together, Sir"

Send us one of your catalogs. We will make a special art design for you in colors, FREE OF CHARGE.

If you decide to order the envelopes only a small charge is made for the finished drawing and plates.

DU-PLEX ONVELOPE CORPORATION 3026 Franklin Blvd. · · · Chicago

MANUFACTURING EXECUTIVE

Desires position with an established institution as executive assistant to directing head. Now President and General Manager of company manufacturing hardware lines sold to jobbing and dealer trade.

Detailed experience in Production, Purchasing, Sales and Advertising, 40 years old—aggressive—seasoned judgment. With present company 15 years—best of reasons for desiring change.

ADDRESS BOX 14

SALES MANAGEMENT & ADVERTISERS' WEEKLY 420 LEXINGTON AVENUE, N. Y.



DVERTISING IS ITS OWN BEST CRITIC: Several years ago there was an epidemic of headlines in advertising that featured the word "amazing." Page after page of advertising was begun with the claim that this or that was amazing, or that an "amazing new way" of doing something had been discovered. Copywriters fell over themselves to use the word, even though the products or services had no amazing qualities whatever. Recently we checked over three issues of popular magazines looking for our old friend "amazing" and to our delight found it conspicuous by its absence. Here is a good example of the way in which advertising improves itself. No one can mourn the passing of the word "amazing" when used without discrimination to describe products which are far from amazing in any way. Advertising constantly improves, and in spite of all that is said to the contrary and in spite of "blindfold" tests, paid testimonials and similar devices, we are confident that today's advertising is more believable than the advertising of five or ten years ago.

ALES MANAGEMENT VS. FARM RELIEF: Last winter one of the men connected with the sales department of one of the California cooperatives drove out into the country to visit some farmers who were members of the organization. The sales manager drove a Lincoln car. One farmer said, "What we ought to do is to reduce the salaries of some of you men in the office, so that you would have to ride in Fords and Chevrolets, instead of these big, high-priced cars. We can't afford good cars, yet you are all working for us. We are raising the stuff and you are getting the money." This is the attitude of many farmers who belong to cooperative organizations. It is this attitude that often brings failure to farm cooperatives. Capable sales executives are too scarce to make it necessary for them to take dictation from farmers, who may be excellent producers, but poor marketing authorities. If the farmers are to receive a larger share of the money that is paid by consumers for farm produce, they must employ sales executives as good as those employed by manufacturers—they must give those executives a free hand—they must pay adequate salaries—even if the paying of such salaries does enable the sales managers to ride in high-priced cars. The farm problem today is almost wholly a problem of distribution. That distributors of many farm products get the lion's share of the profit is well known, but it is not because the distributors are not needed, but because the farmers have concerned themselves almost wholly with production and left the distribution problem to others for solution. Naturally the distributors have been more concerned with their own profits than with the profits of the producers. When a larger percentage of the distributors of farm products are working in the interests of the producers, instead of for themselves, the farmer will receive a higher percentage of the gross return from farm products. It is the same problem that New England manufacturers faced, and to a large extent still face. Too many New England manufacturers left the distribution problem in the hands of others, with the result that newer companies in the South and Middle West who were willing to assume the burdens of controlling distribution walked away with the business. Any producer today who leaves distribution for separate organizations to handle must reconcile himself to seeing the distributor make the profit.

RE YOU GETTING YOUR MONEY'S WORTH FROM BUSINESS PAPERS? In this morning's mail there are nine inquiries from readers, asking for clippings of articles they remember vaguely-articles which were read hurriedly, forgotten and misplaced, only to be needed later. While we, as well as other publishers, are always glad to send clippings of old articles to our readers, these inquiries indicate that too many readers are not filing business papers, or keeping a file of articles which pertain to activities in which they are engaged. Every sales manager ought to have a file for articles which deal with every phase of selling. files should be arranged by subjects and articles from current issues filed and arranged for future reference. The interesting article you read today, but which is not filed, may help solve some knotty problem a year from today if you can only locate it.

STABLE INDUSTRY: Unprecedented production of passenger automobiles in August, bringing the total for the first eight months of the year to within less than one hundred thousand of that of the same period in 1926, the banner year, has started talk of impending overproduction. The statistics of the industry do not support this view. They indicate that since 1923 the output of passenger cars has been fairly stable on a high level, variations following the course of general business, except in 1927 when the withdrawal of Ford caused a sharp recession. Prior to 1923, the record shows, after almost every year of large production the plants were run on a part-time basis. Today the schedules indicate a volume for the year which is likely to surpass that of 1926, not on account of artificial stimulation or a rally following reaction, but because of steady demand for replacements and from new users. Population growth warrants a larger output this year than two years ago and most of the available evidence points to sustained buying power with an upward rather than a declining tendency. The rising foreign demand for American cars is becoming a factor of importance, but the solid foundation of the industry in this country is the place which the automobile has won as an essential instrument of daily life,

business and personal, and the well-knit structure of production units which regulates the supply.

proeive rodanu-Too tion

ling ked

ives

nust ofit.

Y'S

this

rom

ber

as

ngs

hat

for The cur-The led,

ucing

the of

try

23

ı a ral

ord

ws,

e a

of

lly

revth

nd

ng cy. ng the

D)



EVERY twelve months, in church, chapel, city hall, synagogue, home or hired hall in New York City, some sixty thousand couples take the long chance and say "I do." And in "one room suites", Village studios, cold water walkups, steam heated cubicles, cooperative apartments, suburban seven-rooms, town houses, mortgaged manors, skyscraping penthouses, and country estates, they take up the business of being a family. Structures step skyward, new streets sprawl over late pastures, houses rise in rows, countryside communities multiply like mushrooms. . to house the hordes. Grocers get new customers and drug stores new telephone accounts, department stores make new delivery stops, furniture sales keep swelling, and pianos, automobiles, radios, kitchen conveniences and savings accounts follow like the seasons. . And so wonderful is nature, a hundred and twenty-five thousand members join the newest generation annually. This is a panoramic perception of only one part of the New York market.



NINE years ago when The News emerged from the amoeba, unkind competitors condescendingly catalogued our first readers as flappers, young fellows, boys and girls, the under thirties. We had quite a few of them, and we still have. But the flapper and young fellow of nine years ago are staid family folks now. The under thirties are close to forties: The boys and girls are on somebody's payroll. And if you are going to sell these young families, you can't wait much longer. Their new-married market habits are jelling, getting set. They are doing the bulk of their life-time buying right now. And The News, reaching seven out of ten families down here, has most of them by a magnificent majority. Has more furniture, radio, piano linage, and grows like a green bay tree. Gets the sales story to the buying customer, quickly, comprehensively, inexpensively. Makes the sales because it meets the minds. Gets action because it gets to its audience. These young News readers are the most important part of the New York market—but only one part of our circulation. Consider!



THE NEWS

New York's Picture Newspaper

25 PARK PLACE, NEW YORK





A New Book

(FREE)

HERE is a valuable booklet, sent absolutely free
on request to interested
sales executives. It tells
quickly and simply how to keep
the salesmen on their mettle—
how to maintain a spirit of
friendly rivalry—how to reward the extra effort when

made economically and judiciously.

The reward-for-services-rendered is a proved and practical method of building and maintaining sales volume. The many advantages to be secured from sales contests, the way to secure them, and the pitfalls to avoid are discussed frankly and intelligently.

Where shall we send your copy of "Building a Permanent Sales Structure?"

MAY & MALONE, Inc.

Wholesale Dealers

37 So. Wabash Ave., Chicago, Ill.

	Date
MA	& MALONE, Inc.,
37 S	o. Wabash Ave.,
Chic	ago, Ill.
Pl ture'	ease send a copy of "Building a Permanent Sales Struc- ' to us. Also send a copy of your new "Red Book."
Sales	Manager
Com	pany
Add	ess SM 9.26

Letters That Warm Up the Cold Prospect

(Continued from page 696)

form letter or form paragraph system. Hence, their cost is little more than the cost of typing them.

Not only are they neo-personal letters, but they are selling letters. Each one contributes toward selling the interview, and toward selling the product. They not only help the salesman to get in to see his prospect, but they help him to sell the product after he gets in.

It seems to me that there are only two real objections to the use of such letters—the difficulty of writing or compiling them, and the difficulty of getting great enough cooperation from salesmen to make possible a complete coordination between the letters and other sales activity. Both of these objections will be treated in a subsequent article—but the first deserves a word here.

Building a Set of Letters

The quickest way of building up a set of letters to use in aiding salesmen—at least the way I have found most effective—is to consult with a few salesmen, work with them carefully, and dictate individual letters for a period of several weeks. These letters, being individually dictated, avoid completely the smack of form-letterishness that nullifies so much direct mail. I make no attempt to write letters that will do for any but the individual to whom I write.

After I have accumulated, say, a couple of hundred such letters, I then go over them, building up a form paragraph system—when I have to, revising the beginnings or endings of paragraphs so that each paragraph will be an interchangeable unit. These paragraphs I designate according to some schematic arrangement that seems to facilitate the proper assortment of paragraphs. After this job has been done, the use of the system can be turned over to a competent stenographer, and I have a set of letters in operation that will approximate achieving the three tasks we started out to accomplish.

Frank Hall has resigned as space buyer for Dunlap-Ward Advertising Company, Inc., of Cleveland, and is now with Fuller & Smith, of that city, in a similar capacity.

John P. Ahrens, Jr., is now Western manager of the New York Magazine Program.

stem.

l let-

Each

e in-

prod-

sman

We Keep Our Branches Under a Microscope

(Continued from page 697)

rapidly. It has continued to increase, but not so rapidly as between 1921-26. While we were gradually building up the business, we were also gradually perfecting a system of branch management. The plan as now employed has resulted from the contributions of many people in the organization; wherever we have found something good we have adopted it.

A branch, as we refer to it, is a sales and installation office that carries a stock of materials on hand, employs salesmen and installers, and has two bank accounts. A sales office employs salesmen and installers, but does not carry a stock of materials on hand and has no bank account. It is merely an outlying sales office of the branch in that territory.

Managers Developed

The branch manager is developed in our own organization. Those who have come up from installer to salesman to branch manager usually are the best all-'round men, because they know every phase of the business and are not so likely to be overly influenced by the desire to make sales regardless of future consequences. It is not a requirement that one be an experienced installer in order to become a branch manager, however.

The branch manager usually is employed on an agreed percentage of the net profits of his branch. In establishing new branches, where profits are likely to be scarce for the first year or so, he may be employed on salary. Those employed on the profit-sharing plan have a drawing account and the profits are shared at the end of the year. The percentage of profit paid the managers varies considerably.

Salesmen work on commission or salary or a combination of the two. In cities where there are many large jobs on which salesmen may work a long time before landing an order, they are sometimes on salary.

Installers are paid by the hour and the rate is that which obtains for that character of work in that territory.

Each branch has a deposit account and a disbursement account at the bank. We keep a fixed sum in the deposit account, then, as the branch manager makes other deposits, he sends in a duplicate deposit slip and we immediately write a check for the same amount and deposit it in our local bank.

We also keep a fixed sum in the disbursement account, enough to operate the branch for one week, without running short. Each week the branch manager sends in a detailed statement of disbursements and we promptly send him a check for the exact total. This disbursement account takes care of all the expenses incurred in the operation of the branch.

As we ship material to the branch, we bill it at uniform prices, but this is merely a matter of bookkeeping, as we get the money in the manner described above.

Sales invoices are made out in triplicate. The original goes to the customer, the branch sends us one copy and retains the other. This invoice furnishes all the details of the transaction, including the name and address of the customer, the amount and kind of material, the amount of sale, terms and the salesman. We don't depend on a general report of such information; we get a copy of the actual invoice and invoices are numbered serially and must be accounted for. These copies are filed in a looseleaf binder, one for each branch.

In addition, we receive a weekly report of contracts signed, listing all details of each transaction and itemizing them more thoroughly than is possible on the smaller invoice form.

Monthly Report

Then we have a monthly report which is the most convenient and reliable indicator of the condition of the branch. This is a card form, 5x8 inches. At the left, under current year's charges, are spaces for entering major kinds of expenses, arranged in four groups: cost of materials used, cost of installing, cost of selling, overhead and such items as free service and bad debts. The second column provides for estimated inventories and the third for estimated net costs of these Following these are four groups. three percentage columns: one for the current year to date, one for "this time last year," and one for the previous fiscal year. These are cost percentages as indicated by the actual costs in the first column. At the right are spaces for entering the figures, in each case opposite "this year" and "last under billing, disbursements, collections, accounts receivable, unfinished business and sales.

We prepare such a card for each

Automobile day in Hartford®

dealers welcome Wednesday section

HARTFORD automobile dealers welcomed the Times' action in establishing Wednesday as "Automobile Day." Many now keep their salesrooms open Wednesday evenings... all realize that the three best buying days of the week are before them. The Times' automobile section frequently comprises ten pages or more of motor car news and advertising.

HARTFORD TIMES

Hartford, Conn.

Member of The 100,000 Group of American Cities, Inc.

one of the

GANNETT NEWSPAPERS
Rochester Times-Union
Rochester Democrat &
Chronicle

Utica Observer-Dispatch Elmira Star-Gazette-Advertiser Elmira Sunday Telegram Ithaca Journal-News Newburgh-Beacon News Olean Herald

Ogdensburg Republican-Journal Hartford, Conn., Times Plainfield, N. J., Courier-News

J.P.McKinney & Son, National Representatives New York Chicago San Francisco John J. McConnell, Western Manager



Our product will help to sell your product

The U.S. Printing & Lithograph Co.

COLOR PRINTING HEADQUARTERS
Cincinnati Brooklyn Baltimere

Let our nearest office solve your color printing problem.

they er he

only such g or ty of from plete and

these ubseves a

up a smen most few fully, or a e letivoid etter-

then

gs of graph These g to that sort-

etent f letmate arted

Comnow y, in

stern azine

National Advertisers

Used 22.7% more space in The World-Herald in August this year than same period in 1927.

The 11 largest local retail advertisers used 93% more space in The World-Herald during first eight months of 1928 than in the other newspaper.

There is no business boom here—just a better than usual wheat crop, and top market prices for cattle, hogs and sheep.

Building permits for August of over \$940,000 are largest for many months.

Payrolls are healthy, the employment situation is above the average.

The Business is here—help yourself!

9

THE OMAHA WORLDHERALD

The Midwest's NEWSpaper 83% Carrier Coverage in Omaha

O'MARA & ORMSBEE, Inc. National Representatives

New York Chicago Detroit
San Francisco Los Angeles

branch each month and at the end of the year we make up one for the entire year. From all these reports, received and studied regularly for years, we have prepared a master card for an average branch.

A glance at this monthly report indicates whether or not that branch is functioning satisfactorily, and if not, where the trouble probably lies. The percentage columns alone will usually indicate where it is slipping. know what percentage should go for materials, what for installation, for selling, overhead and other items; not only so, but in the column adjoining that in which current percentages are listed are the percentages for last year at the same time and in the next are those for the last fiscal year. If the current percentages are too high or too low, we spot them at once. Sales, billing and gross profit are just as readily compared.

"In the Red"

If the item of gross profit is less than total expenses, it is entered in red. To most sales executives that probably would be a signal to put on more pressure and go after more sales, but it isn't with us. We won't even talk with a branch manager about getting more business so long as he is "in the red." We tell him he is not prepared to go after more business until he sets his house in order and balances up his various departments. The fact that his expenses are greater than his profit indicates that his expenses are too high, regardless of his volume of sales. If he is doing a small business, his expenses should be small in proportion; if he is doing a big business, his expenses are permitted to be large, but still they must be in proportion.

On the other hand, his expenses must not be too low and his sales too high; in other words, out of proportion the other way. If so, the indication is that he is milking the territory and piling up present profits at the sacrifice of future business. A branch manager must have his business properly organized, so that all the different phases bear the proper relation to one another, then he can begin to talk about getting a big volume.

From the reports already described we prepare several records. One of these is a summary of each individual salesman's performance by weeks for a year, with monthly totals. These records are filed in a loose-leaf binder, grouped by branches and arranged alphabetically by salesmen. A glance at any given salesman's record indicates his progress and a comparison of it with those of other salesmen in the same territory reveals whether the

progress of the others is about the same. Thus, if one salesman is slipping badly, but we find that the others in the same territory are skidding with about the same velocity, we conclude that conditions are bad; but if one is slipping while others are forging ahead, we want to know why.

ahead, we want to know why.

In a large loose-leaf ledger we keep a record of branch sales by counties each week for a year, with totals for months. In the first column is the population of the county, then the name, then an arbitrary number, then the record of sales. This indicates whether the entire territory is being covered thoroughly. Thus we find that in Lucas county, which has a population of 27,521, sales totaling \$4,532.72 were made in January, whereas in Hancock, which has a population of 38,394, no sales at all were made that month.

To visualize this, we have maps of all the states mounted on a wing fixture. If a branch has made its quota in a given county, we indicate the fact by means of a red pin stuck in that county: if it has made some sales, but less than the quota, we use a green pin, and if no sales at all, the county is blank. At the end of the year we have an outline map prepared for each branch, the counties being numbered and colored to indicate sales, and the population of each written in. In this way we have a pretty thorough discussion of the performance indicated in each county.

Complete Yearly Audit

We also have a complete audit and physical inventory of every branch once a year, of course, and these are instantly available at any time.

With these records and our knowledge of the business, we can frequently tell a branch manager who is slipping what is wrong when he doesn't know himself, and we may be able to tell him things he didn't know about his own territory. In the same way, we are intimately familiar with the performance of every salesman. In dealing with salesmen, however, we usually have a conference with his branch manager first, then have him invite the salesman in for a joint conference.

I spend about a third of my time in traveling, while a field superintendent and assistant visit every branch one or more times a year to check up on the standards of performance which we prescribe, particularly that of installation.

Joseph Schwartz has joined Churchill-Hall, Inc., New York agency, to take charge of production. Mr. Schwartz has been in the production department of National Bellas-Hess, Inc.

the slipthers with clude ne is

1928

keep inties for the then cates being find pop-\$4,-

ereas

on of that os of fixquota fact that that green ounty r we each oered the this

dis-

cated

and anch e are nowlently ping know tell t his

dealually ranch e the e. time tendranch k up

, we

per-

chilltake wartz ment

hich

f in-

SEPTEMBER 29, 1928

Advisory Council for Bureau of Research Named by I. A. A.

An advisory council and project committee of the Bureau of Research and Education of the International Advertising Association nominated by N. W. Barnes, director of the bureau, were confirmed recently by the board of

governors of the I. A. A. The advisory council comprises Neil H. Borden, Harvard University; Paul T. Cherington, J. Walter Thompson Company; Gordon C. Corbaley, American Institute of Food Distribution, Inc.; Frederick M. Feiker, Associated Business Papers, Inc.; Edward H. Gardner, J. Walter Thompson Company; George B. Hotchkiss, New York University; Julius Klein, Bureau of Foreign and Domestic Commerce; Leverett S. Lyon, Institute of Economics, Washington; Walter Mann, Association of National Advertisers, Inc.; Paul H. Nystrom, Columbia University; A. Heath Onthank, George Harrison Phelps, Inc.; Daniel Starch, American Association of Advertising Agencies; Harold Stonier, American Institute of Banking; E. K. Strong, Jr., Stanford University; Frank M. Surface, Bureau of Foreign and Domestic Commerce; and Edward M. West of New York.

Mary Louise Alexander of Batten, Barton, Durstine & Osborn, is chairman of the source index committee of the bureau, having charge of the primary sources of information; George B. Hotchkiss, New York University, chairman of the committee in charge of survey of advertising education; and Henry C. Campbell, J. Walter Thompson Company, the committee on improvements in 1930 census.

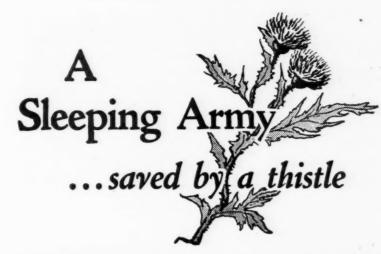
Introduce Baby Ruth Gum in \$1,000,000 Campaign

One million dollars will be spent this fall by the Curtiss Gum Company of Chicago to introduce, in a newspaper and poster board advertising campaign, Baby Ruth peppermint gum. The gum company is being operated separately from the Curtiss Candy Company, makers of Baby Ruth candy bar. Both are headed by Otto Y. Schnering.

Baby Ruth gum is now being introduced in a test campaign in several cities, Mr. Schnering said, and will be sold nationally in a few months.

J. Walter Thompson Company is handling the advertising.

Buckeridge & Downey agency has moved to the Buhl Building, Detroit.



CAUTIOUSLY the marauding Danes crept forward hoping to surprise the sleeping Scots. But a lowly thistle, piercing the foot of a surprised Viking, brought forth such cries of anguish that the Scots were warned, leapt to arms and beat off the attack.

A nation saved from bondage by a thistle!

Hundreds of such trifling incidents make up world history — and they point a moral. The success or failure of many businesses can be attributed to just such apparently insignificant happenings. Watch the little things—they may have far reaching influence. For instance, the business house that sees in its envelope not so much paper and glue, but visions an ambassador from one business court to another, uses its mail matter to build *prestige*. Cheap, shoddy envelopes represent no real economy—and the money saving over Good Envelopes is almost negligible.

Statistics prove that the majority of business men personally open their own mail! Better Business envelopes take on a great significance in view of the fact. Watch this little big thing in your business.

BUREAU OF ENVELOPE MANUFACTURERS OF AMERICA
19 West 44th Street, New York City, N. Y.



Before your Enclosure speaks a word
.....your Envelope has spoken

"A Gigantic Workshop With Sky for a Roof"

THE BEAUMONT TRADE TERRITORY

Monthly Industrial Payrolls

\$7,000,000.00

Covered Only by

BEAUMONT ENTERPRISE
THE BEAUMONT JOURNAL

Ask Beckwith-He Knows

of WILKES-BARRE, PENNA.

Focused in Wyoming Valley's greatest home newspaper. Established in the third populated center of the second most populated state in the United States.

WILKES-BARRE TIMES - LEADER

Covers a ten-mile radius of greatest wealth in the Anthracite region. Ideal for try-out work, as well as maintenance campaigns.

TIMES LEADER

Published each weekday afternoon at 44-48 West Market St., Wilkes-Barre, Pa.

STORY, BROOKS & FINLEY

Special Representatives: New York, Philadelphia, Chicago, Los Angeles, San Francisco BIGELOW,
KENT,
WILLARD
& CO., Inc.

Consulting Engineers

Merchandising

Counselors

Park Square Building BOSTON, MASSACHUSETTS

Our Outline of Merchandising explains our approach to Sales and Marketing Problems. A copy will be loaned business executives on request.

Reaching The Washington Market

is reduced to a minimum of expense for a maximum of coverage—because The Star—Evening and Sunday—not only completely dominates the field in circulation but in prestige.

You only need ONE newspaper in Washington. You can't do without The Star—but you don't need any other paper.

The Kvening Star

With Sunday Morning Edition WASHINGTON, D. C.

New York Office: Chicago Office:
DAN A. CARROLL
110 E. 42nd Street Tower Building

Cheek Neal Loses First Decision in Trade-Mark Fight

BY WALDON FAWCETT

HE Cheek Neal Coffee Company has just lost an appeal to the United States Commissioner of Patents to prohibit the use of the well-known Maxwell House picture and trade-mark on a line of pickles, jellies, sandwich spreads and dressings produced by the Hal Dick Manufacturing Company.

Manufacturing Company.

The Cheek Neal Company also seeks to prevent the use of the slogan, "Good to the Last Bite," which is very similar to the slogan used in connection with the advertising of Maxwell House coffee, which is "Good to the Last Drop."

The Hal Dick Manufacturing Company contends that good will cannot be passed along from one product to another and that prestige cannot be communicated from one product, such as coffee, to different commodities such as pickles, jellies and dressings.

Technically the row is over the possession of trade-marks. Fundamentally the issue is whether an established trade-mark, distinctive in character, and original ideas for advertising, may be borrowed and used on products not immediately competitive with the products of the pioneer user or creator.

All Foods Competitive?

Had the Maxwell House trade-mark been appropriated by the manufacturer of watches, roofing or shoes, the coffee company would, under the Federal system of licensing by commodities, have no right whatever to interfere, but in this case the coffee company feels that there will be an inevitable confusion in the mind of the public because of the fact that coffee and tea, their own line, are intended for human consumption and sold through the same distributive channels as pickles, jellies and dressings, the lines which are being sold by the Hal Dick Company.

In answer to this claim the Hal Dick Company contends that all food products are not competitive and that a sharp line should be drawn between beverages, such as tea and coffee, and solid and semi-solid foodstuffs.

In denying the Cheek Neal appeal and allowing the Hal Dick Company to register its trade-marks, the United States Commissioner of Patents virtually confessed that he was aware that allowing the use of the Maxwell

House mark on different classes of foods tends to destroy the distinctiveness of the mark and to an extent may damage the originator of the name and slogan. Yet he felt that there was nothing else to do under the law, which punishes only users of duplicate trade-marks when the goods possess the same descriptive properties.

Cheek Neal to Appeal

It is understood that the Cheek Neal company will not accept this trade-mark award, but will carry the contest to the United States Court of Appeals at Washington, which has power to review the rulings of the patent office. Meanwhile another manoeuvre is open to the Cheek Neal interests in a suit for injunction in a Federal court on a complaint of unfair competition, with a plea that, even though there is no chance of substitution of goods, it is entitled to protection against confusion of reputation. The argument in the final test will be that, always to a degree, but now more than ever, in the era of consolidations does the public make its purchases of foodstuffs, beverages, etc., on the assumption of common origin, supported by the similarities of titles and trade-marks. Cheek Neal insists that if any food specialty bearing the Maxwell House name is indifferent in quality it will hurt the demand for Maxwell House tea and coffee.

Hills Brothers Start Campaign on Dates

To promote the advantages of pitted dates the Hills Brothers Company, New York, will begin this week a campaign in business papers, magazines and newspapers, under the direction of Pedlar & Ryan. The campaign will run through the holidays. In previous years, the company said, the trade has restricted its business in dates by withholding orders. The normal demand is large in October when the new crop arrives as well as in the holiday months, and the campaign will urge the dealer to carry adequate stocks to meet this early demand.

The Fiftieth National Business Show will be staged at Madison Square Garden, New York, during the week of October 15.

of

tive-

may

ame

was

law,

cate

sess

neek

this

the

t of

has

the

ther

Veal

in a

fair

ven

titu-

tec-

ion.

l be

ore

ons

of

as-

ortand

that

laxin

for

ted

ny,

a

ga-

di-

ım-

ays.

id,

in

or-

ien the

gn

ate

How Red & White Serve 4,000 Grocers

(Continued from page 700) considerable time with the retailer helping him along in the first few months under the new plan. But there comes a time when supervision may be comparatively slight and sketchy, the retailer himself seeing the value of modern methods, and making a habit of them, including the ordering of his merchandise without the earnest solic-

itation of a salesman.

Usually the initial contract between a jobber and a retailer is for two years but, under certain conditions, it may be terminated at any time. Jobbers aim to give their retailers a complete service, making their own arrangements for the purchase of fruits, vegetables, butter, eggs, cheese, lard and similar products, or grocery products sold in bulk. Products which the Red & White jobber does not carry may be purchased by the retailer from other sources.

The management of the Red & White Corporation points out that its plan is unique in that a fundamental community of interest and solidarity of purpose is recognized from the manufacturer, or producer, down to and including the retailer. There is and including the retailer. nothing confidential in any of the relationships. Each knows generally how the other functions and why and the profits customarily obtained thereby.

Chatham Introduces New Airloom Blanket

The Chatham Manufacturing Company has just introduced an advertising campaign in dry goods business publications for a new Airloom

Full-page color space will be taken in Good Housekeeping beginning in October. It is also running in the New Yorker and other consumer publications will probably be added. The account is directed by John L.

Butler Company, Philadelphia.

Completion of plans for the establishment throughout the country of uniformly compiled, arranged and constructed city directories was announced at the annual meeting in Atlantic City this week of the North American Directory Publishers' Association.

R. L. Polk, president of the association, and of R. L. Polk & Company, Detroit directory publishers, said that the work had been carried out in cooperation with governmental and business agencies.



The Buying Guide in over 138,000 Hoosier Homes

HE INDIANAPOLIS NEWS is an integral part of the daily home life of more than 138,000 Hoosier homes . . . and its advertising columns are the accepted source of reliable information on everything bought or used by every member of the family.

The NEWS wields a powerful influence in the introduction, distribution and sale of goods to the 2,000,000 prosperous people in the Indianapolis Radius.

Your advertising, appearing in The NEWS exclusively, will SELL your product profitably to the great Indianapolis Mar-

The INDIANAP (Sells) LIS NEWS DON. BRIDGE Advertising Manager

20,273,876 LINES

Carried in 1927

- F TOTAL ADVERTISING
- I NATIONAL ADVERTISING
- R LOCAL ADVERTISING
- S CLASSIFIED
- T ADVERTISING

San Antonio Express SAN ANTONIO EVENING NEWS



TELL MORE and SELL MORE by using

Lowry Cartoons

to Advertise Your Products Consult Us When Planning Your Next Campaign NATIONAL ACCOUNTS SOLICITED

Our Catalog of Small Stock Cuts Sent on Request

OURY CARTOON CORPORATION 28th Floor, Mather Tower Wacker Drive, Chicago

ow arof



Tamilies In Atlanta Read The Georgian-American

Manufacturers seeking wide distribution of their products have found a newspaper that is enjoying exceptional circulation growth, with advertising lineage in major classifications keeping pace.

HEARST NEWSPAPERS
Read by more than 20,000,000 people

Member of International News Service and Universal Service

HAVE YOU SEEN

EFFORTS

The New Year or Anniversary Announcement that makes 'em ask for MORE!

It's human! It gets a smile! It breaks the ice as no other greeting will. "Efforts" has a record of 100% repeat orders with us. It must be good! Send 25c. for a sample—pass it around—see how it "clicks"! Money back if not delighted.

THE STOREY-BELLACK CO., INC. Advertising Service Wausau, Wis.

Salesmen—Want some "easy money"? Show "Efforts" and get the order, good commissions. Write us quick!

YONKERS

NEW YORK

HERALD

(EVENING)

Serves a rich home district. Enjoys the largest circulation between New York and Albany.

Pepulation110,000

Circulation 14,625 (ABC)

-Representatives-

GEORGE B. DAVID CO., Inc. 110 E. 42nd St. New York, N. Y. 1900 Wrigley Bldg. - Chicago, Ill.

Business Indices

Continued activity at a level substantially higher than last year's is indicated by most of the returns of last week. Retail trade is in large volume and commodity prices remain fairly steady.

Total Transactions

Bank clearings in twenty-three large cities during the week ended September 20 amounted to \$11,595,903, a gain of 8.2 per cent, compared with last year, 8.8 per cent in New York and 6.9 per cent in the total of the other cities, of which only four showed declines. Tax settlements figured in this year's totals while last year they affected the totals of the week before. Debits against individual accounts were \$17,118,650,000, an advance of 11.4 per cent. New York district rose 12.7 per cent, the other districts 9.5 per cent with losses in only two districts.

Imports Down

Imports into this country for the first six months of 1928 amounted to \$2,084,000,000, \$39,000,000, or 1.8 per cent less than last year. Most of the loss was in raw material and manufactured food stuffs.

Credit Conditions

Money rates last week remained at the high lead established the week before —7 to $7\frac{1}{2}$ for call loans, $7\frac{1}{4}$ to $7\frac{1}{2}$ for time loans and $5\frac{1}{2}$ for best name paper.

Margin of Profit

Commodity prices declined slightly last week, the Irving Fisher index dropping from 100.3 the week before to 99.8.

Car Loadings Higher

Railroad revenue freight reached its largest volume for any week in this year in the seven days ended September 15. The total, 1,138,312 cars, was more than last year's by 10,669 cars though 40,947 under that of 1926. This miscellaneous freight movement was substantially larger than in either of the preceding years and merchandise in less than carload lots was just under the level of these years. Ore shipments were up over last year while farm produce showed no great change. Forest products were down over both years.

Gordon Cooke has resigned as promotion manager of Walker & Company, Detroit, to act in a similar capacity for the Detroit *Times*.

subis inof last olume fairly

large otemo3, a with York f the four ments e last the

indi-

,000, New

, the

osses

first \$2,per the

the fore $7\frac{1}{2}$ ame

htly idex fore

its
this
Sepears,
669
of
ght
ger
ears
oad
uese
ver

as omilar

ere

Sends Each New Baby a Cup and Saucer

Although realizing that they will not be used for some time, the Betterton-Rupert Coffee Company of Ashland, Kentucky, and Tulsa, Oklahoma, is developing consumer interest by sending to each new-born child in their localities, a small cup and saucer. House organs of various industrial companies to which the Betterton-Rupert Company sells form the chief source of names.

New Era for Independent Merchant Predicted by Julius Klein

"The resourcefulness of action of the individual merchant will always go far toward offsetting the advantage of large-scale operations of the more complicated organizations," Dr. Julius Klein, head of the Bureau of Foreign and Domestic Commerce, asserted in a current pamphlet on "Practical Aids to the Independent Merchant."

The merchant who refuses to consider the changing order of things, Dr. Klein observed, must give ground to his more efficient competitor, but the independent business man with reasonable capacity, who is willing to utilize new methods and take advantage of new conditions, "has a greater opportunity today than ever before."

The independent merchant who functions intelligently as purchasing agent for his community, Dr. Klein said, has a distinct opportunity to render a real social service.

See Radio Opportunities in New England

Possibilities for the sale of radio sets in New England were pointed out by Vernon W. Collamore, general sales manager of the Atwater Kent Manufacturing Company, to more than 750 Atwater Kent dealers of New England in Boston, September 12.

Mr. Collamore said that in New England are 1,560,000 homes wired with electricity which have no radios at all. Comparing the degree of radio set saturation to that of automobiles, he stated that only 44,000 of the 1,300,000 motor car owners of New England have AC receiving sets.

H. A. Arany, New England manager, predicted the company would reach its sales quota of 1,000,000 sets this year.

Direct Mail Campaign Makes Blindfold Test a Parlor Amusement

Not merely celebrities, but lesser folks are now encouraged to try the blindfold test on Old Gold cigarettes.

In a "personalized" letter which P. Lorillard Company sent out a few days ago to 123,000 people throughout the country, the game of "Blind Man's Puff" is described.

"The game is very simple," the Lorillard Company explains, "and if you have ever smoked cigarettes, you can win. In fact, you can't lose. You just play with two or more cigarettes, one of them being an Old Gold. The object of the game is to determine, while blindfolded, which is the Old Gold."

The campaign is aimed to tie up with Lorillard's general advertising. The first letter was sent to Lorillard stockholders, army and navy officers and individuals listed in the Directory of Directors. The company has received hundreds of letters commenting on it. On October 8 the same letter will be sent to 23,000 others.

New York Sales Managers Start Year's Program

The Sales Managers' Club of New York held their annual outing at the Pomonaut Country Club, Long Island, September 18. J. Walter Brundage, of White & Wyckoff, recently elected president, took over the gavel.

After tennis, golf and bridge tournaments, the members participated, at dinner, in round table discussion, in which Charles Abbott, director of the American Institute of Steel Construction; Thomas Reynolds, vice-president of the Diamond Match Company, and Dr. Paul Nystrom, professor of marketing, Columbia University, spoke.

Southwestern Business Papers Organize

Eight trade journals of Texas have formed the Business Papers of the Southwest to interest national advertisers and agencies in the distinctive character of that territory. A national advertising campaign to promote the Southwest, composing Texas, Oklahoma, Arkansas and Louisiana, will soon be launched. Officers of the association are Joe Buckingham, Southwestern Retailer, president; L. M. Webb, Texas Commercial News, vice-president, and Don Coates, Texas Insurance, secretary.



WROTE an editorial in answer to this question, had it printed in a small booklet that is a typographic gem and sent a complimentary copy to 300 names on my mailing list. Then things happened! "Can we get extra copies for our salesmen?" "Send us 100 extra copies." "Every sales manager should be compelled to make every salesman read this vital editorial." . . . By the time I got over my surprise, I found myself ordering a reprint of 3,000 copies to care for the orders that were coming from the Autocar Company, Wadsworth, Howland & Co., Baeder Adamson Co., Manning Abrasive Co., Mack International Motor Truck Corp., Geometric Tool Co., etc., etc. I soon saw that I would be an idiot if I didn't try to cash in further on the idea. So here I am, offering to several thousand men at one time a free copy of this same booklet. No obligation, of course—though I shall write you a sales letter and mail you quantity prices when I send you the copy that I hope you will request today, too. You're just as forgetful as I am.

Jerome B. Gray

1600 Arch St., Philadelphia



\$50 A MONTH

Will be the total cost of sending a first-class house organ to 250 selected customers and prospects.

Write for Sample
The William Feather Company
611 Caxton Building Cleveland, Ohio

An organization providing a comflete scruice in Outdoor advertising through advertising agencies

NATIONAL OUTDOOR ADVERTISING BUREAU

NEW YORK CHICAGO DETROIT

The Taxi Weekly

Covers the Whole Cab Industry

New York Edition goes to 10,000 taxicab individual,
fleet and company operators. Issued Mondays.

National Edition goes to 4,000 fleet and company
operators throughout the U. S. Issued Mondays.

Published in its Own Printing Plant at
54 West 74th Street—New York City

Account Changes

REMINGTON RAND, INC., Buffalo, portable typewriter division, to Hubert Hoge, Inc., New York.

GROUND GRIPPER SHOE COMPANY and GROUND GRIPPER STORES of Boston to Husband & Thomas Company, Inc., New York. Effective January 1.

THE FLORIDA CITRUS GROWERS' CLEARING HOUSE ASSOCIATION, just formed to market all Florida citrus products, to Erwin, Wasey & Company, New York.

THE PLATT & MUNK COMPANY, INC., New York City, publishers of books for children, to Robinson, Lightfoot & Company, Inc., of that

HUPP MOTOR CAR CORPORATION, Detroit, to Lennen & Mitchell, Inc., New York, effective January 1.

MILNESIA LABORATORIES, INC., New York, Milnesia wafers, a milk of magnesia product, to Winsten & Sullivan, Inc., of that city.

THE AMERICAN BRASS COMPANY, Waterbury, Connecticut, manufacturers of Anaconda Brass Pipe, Anaconda Copper and Anaconda Bronze, to Hommann & Tarcher, Inc., New York City, to handle part of its advertising. This will not affect the regular Anaconda account handled by Lord & Thomas and Logan, Inc.

JOHNSON & JOHNSON, New Brunswick, New Jersey, (Baby Products Division) to Young & Rubicam, New York. This agency also handles the first aid Division of Johnson & John-

INSTITUTE OF CURRENT LITERATURE. College House, Cambridge, Massachusetts, to the Porter Corporation, Bos-

QUAKER STATE OIL COMPANY, Oil City, Pennsylvania, to Young & Rubicam, Inc., New York City.

NILCO LAMP WORKS, INC., Emporium, Pennsylvania, Tungsten industrial home-type, decorative and Christmas tree lamps, licensed under General Electric patents, to Picard-Sohn, Inc., New York City. Business papers.

LENTHERIC PARFUMS, Paris, to the Blackman Company, New York City. Lentheric has opened American headquarters in New York City.

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display

EXECUTIVES WANTED

IF YOU ARE OPEN TO OVERTURES FOR new connection, and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service, of recognized standing and reputation, through which preliminaries are negotiated confidently for positions of the calibre indicated. The procedure is individualized to each client's personal requirements; your identity covered and present position protected. Established seventeen years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown building, Buffalo, N. Y.

SALESMEN WANTED

SALESMEN—WANT SOME EXTRA MONEY next month? Show "Efforts"—the human New Year Greeting—and make it easily! Not the overdone, dignified type—"Efforts" is different! It has a record of 100% repeat orders—no one ever buys enough! Send 25c for sample (refunded on first order)—show it wherever you go—see what a tremendous hit it makes. Good commissions! Write today! The Storey-Bellack Co., Inc., Wausau, Wis.

SALES PROMOTION

\$50 to \$50,000 DAILY SALES DEVELOPED during 28 years for clients by our direct mail plans, copy, campaigns. One product, 1923, an idea, this year \$100,000 orders booked. Fifty-year-old concern desired 50 national representatives in 1925; we produced 40 in three months. 700 dealers in 10 months, at \$3 each, for another. Ten years Sales Promotion Manager, Larkin Co. Submit sales problems for free diagnosis. James C. Johnson, 119 Woodbridge Avenue, Buffalo, New York.

Extra Copies

If you want extra copies of this issue please order promptly as our supply is frequently exhausted a week after date of issue.

Index to Advertisers

Page	Page
Albany Times-Union 713	May & Malone, Inc 728
Baltimore News	National Outdoor Adv. Bureau. 735 New Orleans Times-Picayune 688 New York Evening Journal 692 & 713 New York News 727 Newburgh-Beacon News 729 Newspapers' Film Corp 707
Buffalo News	Ogdensburg Republican-Journal. 729 Olean Herald
Clark Lighter Co., Inc	Plainfield, N. J., Courier-News 729 Premium Service Co 690
Du Plux Onvelope Corp	Richmond News-Leader 685 Rochester Democrat & Chronicle 729 Rochester Times-Union 729
Elmira Sunday Telegram 729 Feather, William, Co 735 Florida Times-UnionCover	San Antonio Express
Gannett Newspapers	Standard Rate & Data Service. 722 Storey-Bellack Co., Inc. 734
Gray, Jerome B	Ullman, Martin, Studios, Inc 719 U. S. Ptg. & Litho. Co 729 Utica Observer-Dispatch 729
Indianapolis News733Ithaca Journal-News729	Washington Star
Janesville Daily Gazette 691	Wilkes-Barre Times-Leader 731 Wisconsin News 713
Kobbe, Philip, Inc	Yawman & Erbe Mfg. Co 724 Yonkers Herald 734

THE huge circulation of the *Chicago Evening American (557,589 for the first eight months of 1928—well over a hundred thousand more than that of the second Chicago evening newspaper) is clear evidence that a tremendous element in Chicago's population finds its newspaper preferences best met by that type of journalism which is the unique product of the greatest newspaper organization in the world.

age

rer

 *One of 28 Hearst Newspapers read by more than twenty million people



A good newspaper

Member of International News Service and Universal Service



The ALL-AMERICAN SHIFT is coming—be prepared!

"Straight football" has ruled the markets for months. Competitors struggle line against line. Then a new idea is injected into the play. Someone discovers an important fact—and the great "All-American Shift" is executed. Some are caught napping. We give you full warning now that the "All-American Shift" is coming, just as surely as November brings football and fervid politics. That "All-American Shift" is a shift of the buying power of a million or more good spenders from the north to the sunshine of Florida. Northern homes will be closed—Florida homes will be opened to the sunshine. A million or more who purchase "up there" a portion of the year will do their purchasing "down here" for the next five or six months. Will the "All-American Shift" catch you napping—take away profitable markets—give your competitor the edge? Not if you plan to hold your line against competition this winter through constructive advertising in

The Florida Times-Union JACKSONVILLE, FLA.

Represented nationally by REYNOLDS-FITZGERALD, Inc. (FORMERLY BENJAMIN & KENTNOR COMPANY)

